



**ANNUAL BUDGET
2016/17 TO 2018/19
MEDIUM TERM REVENUE AND EXPENDITURE FORECASTS**

**NKOMAZI LOCAL MUNICIPALITY
MP324**

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Abbreviations and Acronyms

CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
MM	Municipal Manager	MWIG	Municipal Water Infrastructure Grant
CPI	Consumer Price Index		
CRRF	Capital Replacement Reserve Fund	MMC	Member of Mayoral Committee
DBSA	Development Bank of Southern Africa	MPRA	Municipal Properties Rates Act
DoRB	Division of Revenue Bill	MSA	Municipal Systems Act
DWA	Department of Water Affairs	MDRG	Municipal Disaster Recovery Grant
EE	Employment Equity	MTREF	Medium-term Revenue and Expenditure Framework
EM	Executive Mayor	NERSA	National Electricity Regulator South Africa
FBS	Free basic services	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
IT	Information Technology	SALGA	South African Local Government Association
kℓ	kilolitre	SDBIP	Service Delivery Budget Implementation Plan
km	kilometre	SMME	Small Micro and Medium Enterprises
KPA	Key Performance Area		
KPI	Key Performance Indicator		
kWh	kilowatt		
ℓ	litre		
LED	Local Economic Development		
MFMA	Municipal Financial Management Act		

Part 1 – Annual Budget

1.1 Mayor's Report

Honourable Speaker,
Esteemed Traditional Leaders Present,
The honourable Chief Whip and Councillors,
Municipal Manager and Senior Managers,
Station Commissioners present
Circuit Managers in our Midst
Representatives from RCL
Representatives from the Sake Kammer
Representatives from NSSF
Representatives from Tourism Organizations
Representatives from Nafcoc
CDWs and Officials, Malalane and Lebombo Taxi Associations
Representatives from the Nkomazi Council of Churches
Leaders Labour Formations
Members of the Public,
Distinguished Guests,
Comrades, Ladies and Gentlemen:

Honourable Speaker; As I greet you all today I am reminded of an old saying that in a journey of a thousand miles; one always faces an inescapable and serious responsibility to pose for a moment and reflect on important questions and lessons of one's journey.

I must say without any hesitation Honourable Speaker that this moment of reflection in society is always crucial; because it embodies a space wherein we are able as society to polish our collective narrative and to find new ways and better approaches of reaching our collective destiny.

We are always persuaded by life's practical circumstances Ladies and Gentlemen to pose for a moment and to reflect on exactly who we are? Where do we come from? Where are we going? Where are we now? Can we mark the horizon on how far we are from the collective destination that we envisage?

Those are important questions Honourable Speaker because they entice us to look beyond the current. They force us to envision, plan and act in a coherent manner.

In February 2013 President Zuma and the African National Congress announced the NDP document which remains a ground breaking document guiding our developmental programme as society and government in all spheres.

This document envisions the kind of socio-economic transformation that this country aspires to have achieved by the year 2030. It provides a framework for us as South Africans on how we should approach our developmental agenda, as we engage in various initiatives in our different sectors.

Ladies and gentlemen; I am at pains to accept that I wish when we produced the Ready to Govern document in 1992 as the ANC; that we should have also produced the NDP.

In my opinion; such a document produced from inception would have given our national democratic revolution the necessary traction as we were grappling with the modalities of bringing about a National Democratic Society based on equality, fairness and rule of law.

Honourable Speaker with the benefit of hindsight one begins to appreciate the role that the NDP would have played in helping us to properly envision the kind of impact that we believe we would have made in 50 years from 1994.

It would have provided a significant framework for government and civil society in forecasting the trajectory of our developmental agenda as a national project.

But again with a benefit of hindsight one recalls that in 1992 when the Ready to Govern document was produced; none of us had the practical exposure and knowledge that we have today of running a developmental state.

In that context I have to indicate unreservedly that the ANC has done extremely well in steering the developmental agenda and nation building project to this point.

We have to recognise that against the many insurmountable odds in its path; the ANC government continues to soldier-on in defending and advancing the collective interest of the majority of our people.

In a journey of a thousand miles ladies and gentlemen; you begin to develop the biblical doubting Thomases and those who might be tempted to say to Moses; Egypt was far better than dying in the desert.

They say so as though they have forgotten how hopelessly they used to slave in Egypt. Some even forgot how GOD helped them to escape by opening the red sea and allowing them to cross over.

The ANC is confronted with a similar situation today. Some of our people will be deceived by those whose desire for power and control has overcome their ability to reason.

When you look at what they do in our parliament and community structures; you begin to appreciate the disastrous future that they envision for our country and its people.

South Africa is a constitutional and democratic state where the rule of law is paramount. We are founded on the ethos of Justice, fairness and equality. For that reason we can't argue for the dispossession of land without compensation.

That would be tantamount to solving one problem by creating another. We should learn from the wisdom of our forefathers when they teach us that an eye for an eye makes the world blind.

We are part of the global village and our actions will be interpreted worldwide as being inconsistent with the image that we would like to portray to potential investors who may wish to invest their money in our economy.

I am glad that the ANC led government has provided far better clarity on the issue of land by passing the expropriation bill.

We believe that whilst expropriation is a necessary instrument if applied in the public interest; but fair and equitable compensation is also a critical component of such a transaction.

Honourable Speaker I said earlier that when we drafted the ready to govern document in 1992; we should have drafted the NDP.

But we have benefitted immensely from the experience of 20 years running a developmental state; as such we have come to appreciate that a long term planning instrument has indeed become necessary.

Honourable Speaker one can equally argue that looking at the freedom charter alone; one appreciates that whilst it provides you with a basic vision of the socio-economic discourse which our forbearers envisioned for a free and democratic South Africa.

It equally unveils the envisaged governmental posture that should be used to base any developmental approach in society; but that document applied in isolation will not make the desired impact.

It requires the application of several strategic instruments including the NDP which are necessary in the assessment, targeting, implementation and reporting of all the objective interventions that are calculated to make the desired impact in a free and democratic society, as envisioned in the freedom charter which is a founding document for our socio-economic and political discourse.

I can argue without any doubt Honourable Speaker that some people want to take us back to 1992. The question is; are we ready to return to 1992?

Maybe not; it is for this reason that we will continue to call on our people to have trust in the ANC and its ability to deliver a better life for all.

The ANC led government has proven beyond any reasonable doubt that its developmental agenda is biased in favour of the working class and the poor.

We have learnt many lessons over the years and we have come to fully appreciate that despite the socio-economic challenges that we face from time-to-time; that working together with our people; we can indeed do more.

Honourable Speaker the world economy of which South Africa is part is currently going through a difficult period. We have seen unprecedented depreciation of currencies all over the world including the Rand.

We continued to observe the helpless decline of commodity prices and job losses in many of our economic sectors.

The closure of an iron smelter factory in Middelburg here in our Province has heralded untold job losses for many of our people. We have also witnessed the massive job losses at Umbhaba farm estates here in Nkomazi.

We are aware that the same trend continues to occur in retail, textile, agriculture and many other sectors.

As government in every sphere including local government we will continue to work with the private sector to ensure that measures are in place to mitigate and minimise the possible impact of further job cuts in our economy.

As Nkomazi we are working hard to ensure that there is more economic investment in our local economy to uplift our economy and create jobs.

It is for this reason that we are working together with the private sector to provide support to the developments that you see around Malalane and many others that are coming to Komatipoort including the Special Economic Zone development (SEZ) which we believe will create massive economic opportunities for our people.

We will also continue with our drive to stimulate rural economies by strengthening our SMME support programmes through our targeted supply chain interventions and other relevant support mechanisms in order to ensure that our people especially the youth are able to start and sustain small businesses whilst creating jobs and developing skills.

Ladies and gentlemen; it has to be emphasised that whilst we are doing our part as government to stabilise our economy and improve investment; it does appear that a number of different forces continue to conspire to bring down our economy and livelihood as a country; continent and maybe the globe.

One only has to consider the elements that are bringing about our economic hardships to realise my sentiments on the subject. I mean as though the dire economic climate coupled with electricity challenges was not enough; the country is currently facing the worst drought on record.

This phenomenon has pushed food prices to levels that are way beyond the reach of many of our people especially the poor.

The provision of water for residential and commercial purposes is currently under severe threat. The costs of electricity has also become a serious concern to many households and commercial enterprises.

I must say Honourable Speaker that whilst as government we will do our part to mitigate this situation; we will continue to urge our people in every sector to ensure that we save water and electricity at all costs.

Let me hasten honourable Speaker to touch on an important and unfortunate matter which has filled our media space of late.

Ladies and gentlemen the right to adequate provision of government services in communities is a right which is enshrined in our constitution including the right to protest and picket peacefully.

We have noted with utmost disappointment the developing trend of self-hate by our people; where the poor delivery of services in some communities is used as an excuse to burn down schools, clinics, roads and libraries.

Honourable Speaker let me on this august occasion take a moment to plead with our people to desist from such barbaric acts of vandalism.

These barbaric acts take away the benefit that we already enjoy as communities and create worse conditions than those that we are concerned about.

Ladies and gentlemen I know I might sound racist here but I believe that I have to draw this comparison. You know the white community in many areas of our country also has a number of concerns about government services like we do, but I have never seen them

even once resorting to the destruction of their own infrastructure as a tool to get what they want.

It simply doesn't make any sense to destroy what you already have in order to get what you want.

I am conscious honourable Speaker that as African people we come from a history of defiance campaigns where the destruction of property was a norm.

But I believe however that more than 20 years into democracy should help us as a people to realise that we need better mechanisms to work out our differences than the shameful and destructive scenes that we have seen in Vuwani, Fort hare, UJ and many other parts of our country.

Honourable Speaker we have gathered here today to reflect for the last time as this council on the collective IDP and Budget choices that we and our communities have continued to make year-on-year during our 5 year mandate in office which began in the year 2011.

We are here partly to take stork of the successes that we have made, challenges that we have confronted as well as our recommendations for the period going forward.

I must say without hesitation ladies and gentlemen that the Journey has been long with unending slopes and bends. We believe however that we have used every available resource to effectively navigate the journey in a manner that optimised the benefit to our people.

We recognise that whilst we may have done our bit to advance the promises of our 2011 elections Manifesto; it is clear that a lot more work remains to be done to ensure that we turn the tide of underdevelopment and poverty which continues to plague our people.

Let me highlight honourable speaker some of the key service delivery milestones that we have achieved since we assumed office.

The list is not meant to be exhaustive of all the projects that we have completed ladies and gentlemen; but just a highlight of the key achievements which I believe have made a significant impact in the communities of Nkomazi:

- Rehabilitation of Driekoppies ,Kamhlushwa and Kamaqhekeza Stadia
- Schulzendal, Driekoppies, Boschfontein, Phosa Ville, Mafambisa, Mbuzini Bus Routes.
- Masibekela Bulk Scheme
- Mbuzini Bulk Scheme

- Upgrading of Nyathi Bulk Scheme
- Upgrading of Shongwe Hospital Bulk
- Hhoyi Bulk Scheme
- Dludluma Community Hall
- Jeppes Reef Community Hall
- Several water reticulation projects including the recent one in Aniva
- Sanitation projects in several old and new villages
- Electrification projects in various communities and towns including the **R 24 Million** that we spent last year on Bulk infrastructure and several electricity reticulation projects here in Nkomazi.

We have done a lot more projects with the participation of sector departments honourable Speaker; but I just wanted to mention a few projects that we were able to achieve during our period in office.

Maybe we should also add that it was during the same period that with the participation of our pioneering private sector partners; that the people of Nkomazi finally succeeded to launch for the first time a community radio station focusing on the people of Nkomazi.

Honourable Speaker it has taken a semblance of efforts and interventions to get to this point. We started with unimpressive audit outcomes when we assumed office 2011.

We are proud today to report that we are currently sitting with an unqualified audit opinion from the Auditor General which is testament to the unyielding determination to deliver better services and to practice good governance in the management of the affairs of the municipality.

As we conclude this term of office we do so with a sense of pride and fulfilment that we have done our best to service our people consistent with the electoral mandate that we were given by the African National Congress; and our people in 2011.

We believe that we have earned your trust to be given a further term in the August 2016 election to pursue the outstanding tasks that still requires our attention as we go into the new electoral circle of our developmental local government.

We wish to commit honourable Speaker that if given a new electoral mandate as the ANC led council; we will accelerate our rollout plans as would be depicted below; on more projects to ensure that we broaden and improve access to municipal services for the benefit of all our people.

Honourable Speaker having undertaken the Budget and IDP public consultation meetings in the various communities around Nkomazi; we are satisfied that the IDP and Budget

decisions that we have made are reflective of the developmental aspirations of our communities.

It is accordingly my pleasure Honourable Speaker to present for approval the **2016/2017** Medium Term Revenue and Expenditure Framework (MTREF) for the **2016/17** to **2018/19** financial years.

The MTREF proposes a consolidated budget of **R 1.1 Billion** for the **2016/17** financial year, as well as **R 1.128 Billion** for the **2017/18** and **R 1.2 Billion** for the **2018/19** financial years.

It can be pointed out that the 2016/17 Budget makes provision for an operating budget of **R 709.9 Million** and a capital budget of **R 354.4 Million**.

Honourable Speaker we are humbled to confirm before you and this august house that this budget has been compiled in compliance with the relevant provisions of the MFMA and budget related regulations.

Ladies and Gentlemen we would like to point out quite emphatically that this budget; both as a strategic and operational tool; accords us an opportunity to disburse the scarce resources in the public purse in a manner that addresses the assessed service delivery performance targets, ensuring that our interventions are continuously evaluated to guarantee that our planning and implementation patterns are efficient and effective.

Honourable Speaker, the core principles underlying this budget remain unchanged as they include amongst others:

- Getting value for money - In short this speaks to procurement of goods and services.
- Ensure that there is fiscal accountability and efficient deployment of resources
- Ensure that in the long-term we achieve financial sustainability and abolish our over-reliance on national grants to operate.

Ladies and gentlemen in the light of the dire economic climate in the country; we must highlight that every effort has been made to ensure that the expenditure patterns in this budget are consistent with the directives that have been laid out by the Minister of finance in the current MTREF.

We have attempted to cut the fat and ensured that our limited resources are deployed only to the most required of services.

As pointed out initially; the IDP inputs, our elections Manifesto, the SONA; SOPA and Ministerial directives, the NDP as well as the Provincial Growth and Development Strategy provides a basis for the difficult choices that we have had to make in this budget.

1. WATER SERVICES

Honourable Speaker the improvement and broadening of access to portable water to all our people remains one of the most critical tasks that we have relentlessly pursued since assuming office.

I have to say in this regard that whilst significant progress has been made; it remains clear that a lot more work still has to be done within our limited resources to realise our goal of full and unlimited access to water by all our people.

It is accordingly for this reason that we are committing an amount of **R 15 Million** towards a **15km reticulation project** in **Nkanini Block B**. We are advancing a further **R 9.9 Million** towards the **replacement of a 5km PVC to steel pipe line** in **Block C**.

An amount of **R 5 Million** has been appropriated for the upgrading of **water reticulation infrastructure** in **Block C**.

We will in the same spirit be investing Honourable Speaker a composite figure of **R 63 Million** towards the upgrading of several water services infrastructure in the following areas. Mandulo ; Tonga (phase 2); Mjejane; Nhlabaville; Mangweni; Phakama (Block C); Marloth Park ;Komatipoort ,Malalane ; Louisville ,Langelooop and Kamaqhekeza.

Maybe I should add whilst on the subject Honourable Speaker that we continue to hold the view that decent sanitation is a key element of human dignity. For this reason we are commissioning an additional amount of **R 20 Million** towards the upgrading of sanitation infrastructure in several old and new villages in Nkomazi. A further **R 1.8 Million** will be deployed to the upgrading of our landfill site in Steenbok.

ROADS

Access to adequate road infrastructure remains one of the most important focus areas in the development of our communities. We are accordingly disbursing an amount of **R 6 Million** to the **upgrading** of the **Boschfontein Bus Route** and a further **R 12 Million** towards the upgrading of the **Schulzendal (B) Bus route**. This will be over and above the street maintenance budget which we use to regravell our streets on an ongoing basis.

ELECTRICITY

Access to electricity continues to be a universal right which cannot be divorced from any realistic socio-economic development agenda. It is partly for this reason that we continue to invest year-on-year in the expansion of our electrical infrastructure and broadening access for many of our communities.

It is accordingly against this background that we are appropriating an amount of **R 12.3 Million** towards electrification projects around Nkomazi.

COMMUNITY FACILITIES

Honourable Speaker community facilities are a critical instrument in our agenda to foster social cohesion and create social spaces where our communities can gather for common activities.

It is specifically for this reason that we are commissioning an amount of **R 5 Million** towards the **construction** of a **Community Hall in Block B**; an amount **R 7 Million** will be appropriated for the **construction** of another **Community Hall** in **Boschfontein**.

Ladies and gentlemen we will be committing an amount of **R 8 Million** to the **upgrading** of the **stadium** in **Mbuzini**. We will also commission a further **R 4 Million** to the **upgrading** of a **sport facility** in **Mangweni**.

MUNICIPAL TARRIFS

Honourable Speaker in order for us to ensure the sustainable delivery of municipal services; the issue of revenue contribution by all our people especially those who can afford; will be critical going forward.

We require your financial participation ladies and gentlemen if the true better life for all agenda will become a reality. As the ANC we have already made the call that together we can indeed do more.

We will in due course be outlining the programme on how we believe this process should be initiated and also give everyone a fair chance to contribute to the discussion.

In the meantime we would like to announce municipal tariffs for the 2016/17 financial year.

The increment on tariffs for the 2016/17 budget is **6%** on property rates, **8%** on electricity and **10%** on refuse, **7%** for water, sanitation, and other services

As a caring municipality we would like to equally announce a few exemptions and rebates for various institutions and households that are defined in terms of section 17 (h) of the

Municipal Property Rates Act 06 of 2004; read with the relevant provisions of our Municipal Rates Policies.

In this regard we would like to announce that exemptions will be applicable to the following sub-categories of households:

- **Indigent household** – households where the owner of a residential property, registered in terms of Council's approved indigent policy.
- **Child headed households** – households that are headed by a child who is registered in terms of Council's approved indigent policy
- **Age / Pensioners reduction, Disability grantees and medically boarded persons**- Such households will be entitled amongst others to receive a **R 15000** reduction on the market value of a residential property owned by a person who is older than 60 years of age or registered as "Life right use" tenant at the deeds office, or is a disability grantee or medically boarded person.

Honourable Speaker we will in the same spirit be granting rebates to the following institutions in terms of the Municipal Property Rates Act of 2004; read with the relevant provisions of the Municipal Rates Policies as follows:

- **Sporting Bodies**- Sporting Facilities that are used for the purposes of amateur sport and any social activities which are connected to sport; will receive a **40% REBATE** in respect of the amount levied as rates on the relevant property; but this rebate will be subject to existing agreements between clubs and Council not determining a different position.
- **Welfare Organisations** - registered in terms of the National Welfare Act 100 of 1978 will be rebated 100% in respect of the amount levied as rates on such a property.
- **Public benefit organizations/Non-Governmental Organisations (NGO's) and Cultural Organisations** – which are approved in terms of section 30 of the Income Tax Act 58 of 1962 will be rebated 100% of the amounts levied as rates on such a property.
- **Private schools, Universities, Colleges and Crèches**- Honourable Speaker we have resolved that Private (Independent) primary and secondary schools (regardless of whether they are subsidized or not), registered as educational institutions, will be rebated at 40% in respect of the amount levied as rates on the relevant property, subject to prior application and submission of prior years' audited financial statements.

- **Private (Independent) Universities and colleges-** We have further resolved in respect of registered educational institutions not subsidized by the state, that they will be rebated at 20% in respect of the amount levied as rates on the relevant property.
- **Crèches-** Honourable Speaker educational institutions registered as Crèches will be rebated at 40% in respect of the amount levied as rates on the relevant property.
- **Vacant unimproved stands-** Honourable Speaker may I announce in closing that a 50% rebate on residential properties on which a dwelling unit is still being constructed and which will be used exclusively for that purpose, subject to the relevant conditions.

Honourable Speaker allow me as we conclude this 5 mandate in office to take this opportunity and thank all my colleagues in council for their dedication and commitment towards the attainment of our collective goals for the benefit of all our people.

I will in the same vein take a moment and thank the hardworking members of our administrative staff; Amakhosi, civic, religious and political formations, our business sector players and all our stakeholders for their continued support and guidance.

Ladies and Gentlemen we are concluding one milestone in our long journey to advance socio-economic development of our people through democratic local government.

We are about to embark on the next circle of our democratic discourse through the august 2016 local government elections.

I believe that having been part of our local government process since the year 2000; we have all learnt many lessons and I believe that it has become incumbent upon each one of us to ensure that we use our hard won right to vote wisely.

Honourable Speaker let me conclude my statement by quoting Madiba when he said “There is no such thing as a part freedom” we are either free or in bondage.

Effectively what this means ladies and gentlemen is that none of should rest until the socio-economic circumstances of all our people has changed for the better. The journey requires all hands on deck Honourable Speaker because it is only when we work together that we can indeed do more.

I THANK YOU

1.2 Council Resolutions

On 26 May 2016 the Council of Nkomazi Local Municipality met in Kobwa Hall, Malalane to consider the final draft annual budget of the municipality for the financial year 2016/17. Under resolution number **NKM: GCM: A017/2016** the Council resolved the following:

RESOLVED

1. That the Final Draft Annual Budget for the 2016/2017, 2017/2018 and 2018/2019 financial years be approved by Council as set out in the following Budget Tables:
 - Table A1 : Budget Summary
 - Table A2 : Budgeted Financial Performance (revenue and expenditure by Standard classification)
 - Table A3: Budgeted Financial Performance (revenue and expenditure by Municipal vote)
 - Table A4 : Budget Financial Performance (revenue and expenditure)
 - Table A5 : Budgeted Capital Expenditure by vote, standard classification and Funding
 - Table A6 : Budgeted Financial Position
 - Table A7 : Budgeted Cash Flows
 - Table A8 : Cash Backed Reserves / Accumulate Surplus Reconciliation
 - Table A9 : Asset Management
 - Table A10 : Basic Service Delivery Measurement
2. That the total Draft Annual Operating Budget for the 2016/17 financial year for the amount of **R709 944 449** be approved by Council.
3. That the total Draft Annual Capital Budget for the 2016/2017 financial year for the amount of **R354 404 835** be approved by Council.
4. That the total sum of **R1 064 349 284** for the Draft Annual Budget for Nkomazi Municipal Council for the financial year 2016/2017 and as indicative for the two projected outer years 2017/18, and 2018/19 be approved by Council for the 2016/17 Financial Year.

5. That in the event of an unforeseen budget shortfall, the executive be mandated to source external funding to support the objectives of this budget in accordance with the provisions of section 45 (3) (b) of the MFMA.
6. That the general Annual tariff increase of **6%** on property rates, **7.64%** on electricity and **10%** on refuse, **7%** for water, sanitation, and other services be approved by Council.

1.3 EXECUTIVE SUMMARY

The preparation of the 2016/17 Municipality's Medium Term Revenue and Expenditure Framework was an extreme challenge with growing pressures faced by the municipality from both the rising cost of bulk services and rapidly growing numbers of households. However with the slow growth of finances, the municipality must continue to respond to the expectations of the community for improved basic services and responsive public administration.

In ensuring long-term sustainability of the municipality, sound financial management practices are continuously adhered to. The compilation of the 2016/17 MTREF is guided by the MFMA and National Treasury's MFMA circulars.

The compilation of the draft MTREF is based on the key priorities outlined in the municipality's IDP that in line with objective of the National Development Plan, the municipality key priority is to ensure that the community attains a decent standard of living by providing basic service delivery such, as water, electricity and sanitation.

The annual budget herewith presented provides the appropriation of funds in the MTREF as follows:

1.3.1 HIGH LEVEL SUMMATY

Description	BUDGET 2016/2017	BUDGET 2017/2018	BUDGET 2018/2019
Total operating expenditure	709 944 449	753 624 608	802 875 466
Total capital expenditure	354 404 835	374 721 503	375 995 145
Tota budget (operating plus capital expenditure)	1 064 349 284	1 128 346 111	1 178 870 611
Total operating revenue	743 129 839	803 878 605	866 011 434

Total operating revenue of R743.1 million for 2016/17 financial year, R803.9 million for the 2017/18 financial year and R866 million for the 2018/19 financial year.

Total operating expenditure of R709.9 million for 2016/17 financial year, R753.6 million for the 2017/18 financial year and R802.9 million for the 2018/19 financial year.

Total capital expenditure of R354.4 million for 2016/17 financial year, R374.7 million for the 2017/18 financial year and R376 million for the 2018/19 financial year.

1.3.2 ECONOMY AND INFLATION TARGETS

The 2015 Medium Term Budget Policy Statement notes that the global economic outlook has been weaker than anticipated as a result of downcast domestic demand and reduced capital inflows, high level of unemployment and lost jobs in the formal sector.

The decline in oil prices has resulted to lower domestic inflation, the current drought gripping many parts of the country, however, pose some risk to the inflation outlook pose some risk to the inflation outlook. The South African economy is therefore expected to grow by 1.5 per cent in 2015, 1.7 per cent in 2016 and 2.6 per cent in 2017.

These aforementioned economic challenges will continue to pressurise municipal revenue generation and collection hence a conservative approach is advised for projecting revenue. These circumstances make it essential for municipalities to reprioritise expenditure and implement stringent cost-containment measures.

The macroeconomic inflation forecast for the MTREF are as follows:

Financial year	2014/15 Actual	2015/16 Estimate	2016/17 Forecast	2017/18 Forecast	2018/19 Forecast
Inflation	5.6%	5.5%	6%	5.8%	5.8%

1.3.3 OPERATING REVENUE FRAMEWORK

For Nkomazi Local Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipal area and continued economic development;
- Efficient revenue management, which aims to ensure an average 75.2 per cent annual collection rate for property rates and other key service charges such as electricity, water, sewerage and refuse removal services;

- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

Summary of revenue classified by main revenue source

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source										
Property rates	59 401	64 117	108 511	88 315	111 254	111 254	111 254	117 929	124 769	132 005
Property rates - penalties & collection charges										
Service charges - electricity revenue	50 422	55 892	75 832	79 972	80 010	80 010	55 745	85 537	92 419	126 988
Service charges - water revenue	11 802	12 385	15 942	17 191	17 191	17 191	(19 499)	17 073	18 313	60 438
Service charges - sanitation revenue	2 720	3 468	3 837	4 285	4 285	4 285	(24 859)	3 532	3 815	36 525
Service charges - refuse revenue	4 261	5 106	5 508	6 527	6 527	6 527	(17 902)	6 300	6 987	34 907
Service charges - other	—	—	—	—	—	—	—	—	0	0
Rental of facilities and equipment	3 820	3 393	3 342	5 680	7 921	7 921	7 921	8 475	9 069	9 703
Interest earned - external investments	3 048	1 794	1 202	728	4 028	4 028	4 028	4 310	4 612	4 935
Interest earned - outstanding debtors	2 695	5 220	3 629	1 796	4 599	4 599	4 599	4 921	5 265	5 634
Dividends received	—	—	—	—	—	—	—	—	0	0
Fines	357	9 594	37 336	9 683	5 555	5 555	5 555	5 944	6 360	6 805
Licences and permits	30	19	13	22	22	22	22	24	26	28
Agency services	9 943	4 670	8 150	14 667	14 667	14 667	14 667	15 694	16 792	17 968
Transfers recognised - operational	275 222	314 428	387 633	436 751	436 751	436 751	436 751	460 207	501 202	542 022
Other revenue	32 079	11 127	16 467	8 070	8 813	8 813	8 813	9 060	9 979	10 975
Gains on disposal of PPE		137								
Total Revenue (excluding capital transfers and contributions)	455 799	491 352	667 404	673 687	701 623	701 623	587 096	739 007	799 607	988 933

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

In the 2015/16 financial year, projected revenue from rates and services charges totals R219.7 million or 32 per cent of total revenue. Revenue is expected to increase to R743.1 million, R803.9 million and R886.0 million in the respective financial years of the MTREF 2016/17, 2017/18 and 2018/19 respectively. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality.

The revenue from property rates will amount to R117.9 million after taking into account rates rebates in terms of the rates policy amounting to R24.3 million in 2016/2017 financial year and increases to R132.0 million over the medium-term. The property rates revenue contributes about 16 per cent of the total operating revenue budget.

Operating grants allocation comprising of equitable share and other small grants contributes 62 percent to the total operating revenue budget and will amount to R460.2 million in 2016/2017 financial year and increases to R542.0 million over the medium-term.

The other revenue amounts to R48.4 million. The other revenue comprise of revenue from agency fees of R15.7 million, interest from outstanding debtors and investments of R9.2 million, rental of municipal properties and facilities of R8.4 million and sundry income of R15.0 million. The other revenue contributes about 14 per cent of the total operating revenue budget.

The following table gives a breakdown of the various operating and capital grants and subsidies allocations to the municipality over the medium term:

MP324 Nkomazi - Supporting Table SA18 Transfers and grant receipts

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
RECEIPTS:									
Operating Transfers and Grants									
National Government:	274 283	313 623	352 700	435 375	435 375	435 375	460 207	501 202	542 022
Local Government Equitable Share	259 653	290 822	339 878	423 037	423 037	423 037	447 689	494 138	534 377
Finance Management	1 500	1 550	1 600	1 600	1 600	1 600	1 625	1 700	1 955
Municipal Systems Improvement	800	890	934	930	930	930	-	-	-
Water Services Operating Subsidy	2 954	8 768					-	-	-
EPWP Incentive	6 245	7 536	5 451	4 762	4 762	4 762	5 917	-	-
Disaster Relief Grant									
MIG-PMU Operational	3 131	4 058	4 837	5 046	5 046	5 046	4 976	5 364	5 690
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	504	-	840	1 376	1 376	1 376	-	-	-
LGSETA Learnership grant	85								
HIV Grant (IOM)	419		840	1 376	1 376	1 376			
Total Operating Transfers and Grants	274 787	313 623	353 539	436 751	436 751	436 751	460 207	501 202	542 022
Capital Transfers and Grants									
National Government:	142 972	169 433	288 048	382 574	387 347	387 347	324 571	367 807	369 035
Municipal Infrastructure Grant (MIG)	127 048	137 004	240 454	214 334	216 640	216 640	211 379	227 875	241 695
Integrated National Electrification Programme	15 924	19 000	9 000	10 000	12 306	12 306	9 000	10 000	15 000
Municipal Water Infrastructure Grant		9 167	-	118 740	118 740	118 740	-	-	-
EPWP incentive		-			-	-	-	-	-
Finance Mmanagement Grant		-			-	-	-	-	-
Water Services Operating Subsidy			12 000	15 000	15 000	15 000	-	-	-
Rural Household Infrastructure Grant		4 261	4 500	4 500	4 661	4 661	-	-	-
Municipal Disaster Recovery Grant			22 093	20 000	20 000	20 000	20 000	-	-
Water Services Infrastructure Grant							84 192	129 932	112 340
Provincial Government:	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	-	-	-	-	-	-	-	-	-
LGSETA Learnership gra									
Total Capital Transfers and Grants	142 972	169 433	288 048	382 574	387 347	387 347	324 571	367 807	369 035
TOTAL RECEIPTS OF TRANSFERS & GRANTS	417 759	483 056	641 587	819 325	824 097	824 097	784 778	869 009	911 057

Overall impact of tariff increase on household

The increment on tariffs for the 2016/17 budget is **6%** on property rates, **8%** on electricity and **10%** on refuse, **7%** for water, sanitation, and other services. The following table outlines the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	355.94	513.75	544.58	588.14	588.14	588.14	6.0%	623.43	623.43	623.43
Electricity: Basic levy	100.00	110.00	118.13	132.54	132.54	132.54	8.0%	143.14	143.14	143.14
Electricity: Consumption	970.00	1 030.00	1 106.12	1 241.06	1 241.06	1 241.06	7.0%	1 327.94	1 327.94	1 327.94
Water: Basic levy	80.71	88.78	97.66	109.38	109.38	109.38	7.0%	117.03	117.03	117.03
Water: Consumption	123.30	135.60	149.16	167.06	167.06	167.06	7.0%	178.75	178.75	178.75
Sanitation	129.53	142.48	156.73	175.54	175.54	175.54	7.0%	187.82	187.82	187.82
Refuse removal	80.16	88.18	97.00	108.64	108.64	108.64	10.0%	119.50	119.50	119.50
Other										
sub-total	1 839.64	2 108.79	2 269.37	2 522.35	2 522.35	2 522.35	6.9%	2 697.62	2 697.62	2 697.62
VAT on Services	207.72	223.31	241.47	270.79	270.79	270.79		290.39	290.39	290.39
Total large household bill:	2 047.36	2 332.10	2 510.84	2 793.14	2 793.14	2 793.14	7.0%	2 988.01	2 988.01	2 988.01
% increase/-decrease		13.9%	7.7%	11.2%	-	-	7.0%	-	-	-
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	249.69	363.75	385.58	416.42	416.42	416.42	6.0%	441.41	623.43	623.43
Electricity: Basic levy	100.00	110.00	118.13	132.54	132.54	132.54	8.0%	143.14	143.14	143.14
Electricity: Consumption	485.00	515.00	553.06	620.53	620.53	620.53	7.0%	663.97	1 327.94	1 327.94
Water: Basic levy	80.71	88.78	97.66	109.38	109.38	109.38	7.0%	117.03	117.03	117.03
Water: Consumption	102.75	113.00	124.30	139.22	139.22	139.22	7.0%	148.96	178.75	178.75
Sanitation	129.53	142.48	156.73	175.54	175.54	175.54	7.0%	187.82	187.82	187.82
Refuse removal	39.71	43.68	48.05	53.81	53.81	53.81	10.0%	59.20	119.50	119.50
Other										
sub-total	1 187.39	1 376.69	1 483.50	1 647.44	1 647.44	1 647.44	6.9%	1 761.53	2 697.62	2 697.62
VAT on Services	131.28	141.81	153.71	172.34	172.34	172.34		184.82	290.39	290.39
Total small household bill:	1 318.67	1 518.50	1 637.21	1 819.78	1 819.78	1 819.78	7.0%	1 946.35	2 988.01	2 988.01
% increase/-decrease		15.2%	7.8%	11.2%	-	-	7.0%	53.5%	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates										
Electricity: Basic levy										
Electricity: Consumption							#NAME?	70.97	76.65	82.78
Water: Basic levy										
Water: Consumption							#NAME?	107.31	114.82	122.86
Sanitation							#NAME?	85.24	91.21	97.59
Refuse removal							#NAME?	71.45	78.60	86.45
Other										
sub-total	-	-	-	-	-	-	-	334.97	361.27	389.68
VAT on Services										
Total small household bill:	-	-	-	-	-	-	-	334.97	361.27	389.68
% increase/-decrease		-	-	-	-	-	-	-	7.9%	7.9%

1.3.4 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserved to fund any deficit;

- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the IDP priorities;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of no project plans no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2016/2017 budget and MTREF (classified per main type of operating expenditure):

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Expenditure By Type									
Employee related costs	200 075	237 098	257 002	246 785	250 170	250 170	287 455	306 910	327 939
Remuneration of councillors	18 233	19 137	20 292	21 690	21 690	21 690	24 299	25 951	27 716
Debt impairment	4 872	10 270	23 821	17 966	17 966	17 966	18 936	20 034	21 196
Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Finance charges	1 182	2 314	5 178	781	781	781	469	496	525
Bulk purchases	54 728	82 787	94 147	81 622	81 622	81 622	88 048	95 063	102 638
Other materials	1 310	1 193	996	1 436	1 436	1 436	2 369	2 506	2 652
Contracted services	23 582	23 266	35 292	21 410	20 610	20 610	33 221	35 148	37 187
Transfers and grants	97	41	231	223	288	288	235	248	263
Other expenditure	140 724	183 620	195 476	122 535	123 177	123 177	185 845	194 193	205 448
Loss on disposal of PPE			3 879						
Total Expenditure	501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875

The budgeted allocation for employee related costs for the 2016/17 financial year totals R311.8 million which includes R24.3 million for remuneration of councillors' equals to **44%** of the total operating expenditure.

In line with the Salary Wage Collective Agreement for the period 01 July 2015 to 31 June 2018 the municipality has budgeted a percentage increase of **7%** for the 2016/17 financial year, as per the agreement on the collective an annual increase of **6.58% and 6.58%** has been included in the two outer years of the MTREF.

. However the 7% is not reflective on the figures above due to the following reasons:

- The 2016/17 salary budget is based on the actual amounts of the 2015/16 which are lower than the budgeted amount and also the municipality was gazetted an amount of R5.9 million for EPWP grant for the 2016/17 which is not gazetted for the 2017/18 and 2018/19 financial years.

Bulk purchases on electricity increased by **8%** which is in line with the guidelines of the National Energy Regulator of South Africa (NERSA).

1.3.5 CAPITAL EXPENDITURE

Summary of Capital Expenditure and Sources

Description	2015/16 Adjusted Budget	2016/17 Medium Term Revenue & Expenditure Framework		
		Budget Year 2016/17	Budget Year1 2017/18	Budget Year2 2018/19
<u>Capital expenditure & funds sources</u>				
Capital expenditure	415 723 608	354 404 835	374 721 503	375 995 144
Transfers recognised - capital	385 118 608	324 570 835	367 806 503	369 035 145
Public contributions & donations				
Borrowing				
Internally generated funds	30 605 000	29 834 000	6 915 000	6 960 000
Total sources of capital funds	415 723 608	354 404 835	374 721 503	375 995 144

The annual capital budget of **R354.4** million for 2016/17 is **15** per cent less when compared to the 2014/15 Adjustment Budget of **R415.7** million, this is due to a reduction and technical adjustments made on local government allocations reflecting the merging of the previous municipal water infrastructure grant, the water services operating subsidy grant and the rural household infrastructure grant to create a new water services infrastructure grant.

.

Capital grants and transfers totals R329.5 million in the 2016/17 financial year and steadily increases to R375.7 million by 2018/19. The following table reflect the breakdown of the capital grants:

Description R thousand	2016/17 Medium Term Revenue & Expenditure Framework		
	Budget Year 2016/17	Budget Year1 2017/18	Budget Year2 2018/19
<u>Capital Transfers and Grants</u>			
Municipal Infrastructure Grant (MIG)	216 300 000	233 239 000	247 385 000
Integrated National Electrification Programme(INEG)	9 000 000	10 000 000	15 000 000
Water Service Infrastructure Grant (WSIG)	84 192 000	129 932 000	112 340 000
Municipal Disaster Recovery Grant (MDRG)	20 000 000	-	-
Total Capital Transfers and Grants	329 547 000	373 131 000	375 725 000

The 2016 DoRB introduces a new grant namely; Water Services Infrastructure grant this Grant is used to fund the building and refurbishment of water and sanitation schemes in municipalities with weaker capacity. The detailed capital items for the MTREF is set out on page **66-69**

Departmental capital allocations for 2016/2017 as per the basic service delivery are as follows:

- ✓ **R18.6 million** for electricity services, **R9.6 million** funded from internal sources and **R9 million** funded from Integrated National Electrification Grants (INEG)
- ✓ **R204.5 million** for water services, **R555 thousands** funded from internal sources, **R99.7 million** from Municipal Infrastructure Grant (MIG), **R54.2million** from Water Service Infrastructure Grant (MWIG) and **R20 million** from Municipal Disaster Recovery Grant (MDRG)
- ✓ **R30.8 million** for sanitation services **R30 million** funded from MIG and R800 thousands from internal sources.
- ✓ **R50.6 million** for roads services funded from MIG
- ✓ **R6.9 million** for refuse removal services **R5 million** funded from MIG and **R1.9 million** from internal sources.

RECOMMENDATION BY THE EXECUTIVE MAYOR

1. That the council consider the draft annual budget as set out in the following tables:
 - Table A1- Executive Summary
 - Table A2-Budgeted Financial Performance (revenue and expenditure by standard classification);
 - Table A3-Budgeted Financial Performance (revenue and expenditure by municipal vote);
 - Table A4-Budgeted Financial Performance (revenue by source and expenditure by type);
 - Table A5-Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source.
 - Table A6-Budgeted Financial Position;
 - Table A7-Budgeted Cash Flows;
 - Table A8-Cash backed reserves and accumulated surplus reconciliation;
 - Table-A9-Asset management; and
 - Table A10-Basic service delivery measurement.
2. That the council acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2016 as set out in annexure A pages 71-84:
 - The tariffs for property rates
 - The tariffs for electricity
 - The tariffs for water
 - The tariffs for sanitation
 - The tariffs for solid waste
 - The tariffs for other service

1.4 ANNUAL BUDGET TABLES

The following pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2016/17 budget and MTREF as tabled to Council.

Table A1 - Budget Summary

MP324 Nkomazi - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousands									
Financial Performance									
Property rates	59 401	64 117	108 511	88 315	111 254	111 254	117 929	124 769	132 005
Service charges	69 205	76 852	101 120	107 974	108 013	108 013	116 566	125 805	135 937
Investment revenue	3 048	1 794	1 202	728	4 028	4 028	4 310	4 612	4 935
Transfers recognised - operational	275 222	314 428	387 633	436 751	436 751	436 751	460 207	501 202	542 022
Other own revenue	48 923	34 161	68 937	39 918	41 578	41 578	44 118	47 490	51 113
Total Revenue (excluding capital transfers and contributions)	455 799	491 352	667 404	673 687	701 623	701 623	743 130	803 879	866 011
Employee costs	200 075	237 098	257 002	246 785	250 170	250 170	287 455	306 910	327 939
Remuneration of councillors	18 233	19 137	20 292	21 690	21 690	21 690	24 299	25 951	27 716
Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Finance charges	1 182	2 314	5 178	781	781	781	469	496	525
Materials and bulk purchases	56 038	83 979	95 143	83 058	83 058	83 058	90 417	97 570	105 290
Transfers and grants	97	41	231	223	288	288	235	248	263
Other expenditure	169 179	217 156	258 468	161 910	161 752	161 752	238 002	249 375	263 831
Total Expenditure	501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875
Surplus/(Deficit)	(45 431)	(124 272)	(30 576)	91 366	116 009	116 009	33 185	50 254	63 136
Transfers recognised - capital	142 972	169 433	260 871	382 574	382 574	382 574	324 571	367 807	369 035
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Capital expenditure & funds sources									
Capital expenditure	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
Transfers recognised - capital	122 215	167 276	227 606	382 574	385 119	385 119	324 571	367 807	369 035
Public contributions & donations	-	3 752	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-
Internally generated funds	9 730	13 087	3 950	30 605	30 605	30 605	29 834	6 915	6 960
Total sources of capital funds	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
Financial position									
Total current assets	72 820	114 872	204 421	222 458	234 165	234 165	318 185	474 909	526 501
Total non current assets	1 408 987	1 621 827	1 788 106	2 064 581	2 111 216	2 111 216	2 396 553	2 698 201	2 996 884
Total current liabilities	140 719	256 246	277 903	183 967	163 321	163 321	138 365	175 832	91 223
Total non current liabilities	3 117	50 769	54 645	22 081	23 499	23 499	60 054	62 900	65 612
Community wealth/Equity	1 337 972	1 429 684	1 678 658	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550
Cash flows									
Net cash from (used) operating	139 920	267 401	272 200	503 952	432 486	432 486	374 800	435 743	450 498
Net cash from (used) investing	(131 945)	(269 988)	(238 165)	(382 574)	(415 724)	(415 724)	(354 405)	(374 722)	(375 995)
Net cash from (used) financing	(1 842)	(1 043)	94	-	-	-	(291)	(482)	(885)
Cash/cash equivalents at the year end	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137
Cash backing/surplus reconciliation									
Cash and investments available	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137
Application of cash and investments	70 988	127 613	118 954	98 146	(9 283)	(9 283)	(77 216)	(113 708)	(185 667)
Balance - surplus (shortfall)	(63 373)	(123 628)	(80 839)	23 396	64 160	64 160	152 195	249 228	394 804
Asset management									
Asset register summary (WDV)	1 408 987	1 621 827	1 788 105	2 064 411	2 111 216	2 111 216	2 416 357	2 720 220	3 020 963
Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Renewal of Existing Assets	83 721	131 409	92 839	198 737	181 316	181 316	102 075	76 343	88 017
Repairs and Maintenance	22 682	11 889	23 858	21 914	19 766	19 766	30 429	32 194	34 061
Free services									
Cost of Free Basic Services provided	-	-	-	-	-	-	114 528	118 651	122 922
Revenue cost of free services provided	-	-	-	45 877	45 877	45 877	48 630	51 450	54 434
Households below minimum service level									
Water:	21	21	21	21	21	21	22	22	22
Sanitation/sewerage:	17	17	17	17	17	17	17	17	17
Energy:	16	16	16	16	16	16	17	17	17
Refuse:	77	77	77	77	77	77	80	80	80

Explanatory notes to Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts tabled to Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.

Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)**MP324 Nkomazi - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)**

Standard Classification Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue - Standard									
<i>Governance and administration</i>	229 950	226 186	294 208	267 641	299 572	299 572	316 910	337 335	362 033
Executive and council	6 245	7 536	5 451	4 762	4 762	4 762	5 917	-	-
Budget and treasury office	219 072	211 873	283 410	256 357	286 574	286 574	302 180	327 905	351 942
Corporate services	4 632	6 777	5 346	6 521	8 237	8 237	8 813	9 430	10 091
<i>Community and public safety</i>	235	9 701	59 519	9 870	5 743	5 743	6 145	6 575	7 035
Community and social services	80	90	80	122	122	122	131	140	150
Sport and recreation	-	-	-	55	55	55	59	63	67
Public safety	155	9 612	59 439	9 693	5 566	5 566	5 955	6 372	6 818
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	15 832	15 709	16 467	25 918	26 012	26 012	25 938	27 794	29 689
Planning and development	4 334	6 000	7 107	8 967	9 076	9 076	7 817	8 404	8 942
Road transport	10 331	8 434	8 163	14 678	14 678	14 678	15 706	16 805	17 981
Environmental protection	1 168	1 275	1 197	2 274	2 258	2 258	2 416	2 585	2 766
<i>Trading services</i>	352 754	409 189	558 082	752 832	752 870	752 870	718 708	799 981	836 290
Electricity	105 294	118 741	134 539	145 302	145 341	145 341	154 219	168 233	186 140
Water	219 701	254 346	383 100	535 867	535 867	535 867	493 518	553 595	565 543
Waste water management	2 725	7 730	8 340	8 785	8 785	8 785	4 585	4 906	5 249
Waste management	25 034	28 372	32 102	62 878	62 878	62 878	66 386	73 246	79 358
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	598 771	660 785	928 275	1 056 261	1 084 198	1 084 198	1 067 701	1 171 685	1 235 047
Expenditure - Standard									
<i>Governance and administration</i>	130 045	179 776	200 391	182 024	184 690	184 690	226 696	240 731	255 640
Executive and council	34 511	47 403	45 153	45 214	45 214	45 214	58 462	62 236	66 254
Budget and treasury office	58 499	83 396	102 858	99 310	99 310	99 310	121 871	129 197	136 965
Corporate services	37 035	48 977	52 380	37 500	40 166	40 166	46 363	49 298	52 420
<i>Community and public safety</i>	37 840	53 244	68 263	35 134	36 284	36 284	56 972	60 546	64 346
Community and social services	4 916	5 693	6 711	6 387	6 687	6 687	7 420	7 918	8 449
Sport and recreation	110	210	66	97	97	97	250	265	280
Public safety	32 813	47 342	61 486	28 649	29 499	29 499	49 301	52 363	55 617
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	87 788	105 663	110 866	109 200	108 919	108 919	136 678	143 448	152 700
Planning and development	40 777	49 279	47 959	47 780	49 686	49 686	66 685	71 036	75 579
Road transport	41 474	49 937	52 584	52 937	51 600	51 600	58 870	62 676	66 730
Environmental protection	5 536	6 447	10 323	8 483	7 633	7 633	11 122	9 736	10 390
<i>Trading services</i>	245 557	276 941	318 461	255 963	255 721	255 721	289 599	308 900	330 190
Electricity	89 890	97 252	128 958	100 645	100 645	100 645	115 249	123 959	133 559
Water	115 137	124 272	129 869	118 578	118 550	118 550	131 577	139 847	148 641
Waste water management	11 132	21 367	23 043	3 407	3 292	3 292	4 339	4 601	4 878
Waste management	29 398	34 050	36 591	33 334	33 234	33 234	38 434	40 493	43 113
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875
Surplus/(Deficit) for the year	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171

Explanatory notes to Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital)
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity, Water and Waste water functions, but not the Waste management function. The municipality is in process of reviewing its revenue enhancement strategy.

Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)**MP324 Nkomazi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)**

Vote Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote									
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	6 245	7 536	5 451	4 762	4 762	4 762	5 917	-	-
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	219 072	211 873	283 410	256 357	286 574	286 574	302 180	327 905	351 942
Vote 3 - Vote 3 - CORPORATE SERVICES	4 632	6 777	5 346	6 521	8 237	8 237	8 813	9 430	10 091
Vote 4 - PLANNING AND DEVELOPMENT	716	1 138	1 431	2 545	2 655	2 655	2 840	3 039	3 252
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	36 867	44 823	101 808	91 064	86 921	86 921	90 640	99 198	107 126
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	331 238	388 638	530 829	695 011	695 050	695 050	657 310	732 112	762 636
Vote 7 -	-	-	-	-	-	-	-	-	-
Vote 8 -	-	-	-	-	-	-	-	-	-
Vote 9 -	-	-	-	-	-	-	-	-	-
Vote 10 -	-	-	-	-	-	-	-	-	-
Vote 11 -	-	-	-	-	-	-	-	-	-
Vote 12 -	-	-	-	-	-	-	-	-	-
Vote 13 -	-	-	-	-	-	-	-	-	-
Vote 14 -	-	-	-	-	-	-	-	-	-
Vote 15 -	-	-	-	-	-	-	-	-	-
Total Revenue by Vote	598 771	660 785	928 275	1 056 261	1 084 198	1 084 198	1 067 701	1 171 685	1 235 047
Expenditure by Vote to be appropriated									
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	34 511	47 403	45 153	45 214	45 214	45 214	58 462	62 236	66 254
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	58 499	83 396	102 858	99 310	99 310	99 310	121 871	129 197	136 965
Vote 3 - Vote 3 - CORPORATE SERVICES	37 035	48 977	52 380	37 500	40 166	40 166	46 363	49 298	52 420
Vote 4 - PLANNING AND DEVELOPMENT	14 401	19 387	15 348	18 271	19 221	19 221	29 961	31 847	33 852
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	95 712	121 254	148 568	108 665	108 665	108 665	142 414	149 001	158 569
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	261 072	295 207	333 673	273 362	273 039	273 039	310 875	332 046	354 814
Vote 7 -	-	-	-	-	-	-	-	-	-
Vote 8 -	-	-	-	-	-	-	-	-	-
Vote 9 -	-	-	-	-	-	-	-	-	-
Vote 10 -	-	-	-	-	-	-	-	-	-
Vote 11 -	-	-	-	-	-	-	-	-	-
Vote 12 -	-	-	-	-	-	-	-	-	-
Vote 13 -	-	-	-	-	-	-	-	-	-
Vote 14 -	-	-	-	-	-	-	-	-	-
Vote 15 -	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875
Surplus/(Deficit) for the year	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table A4 - Budgeted Financial Performance (revenue and expenditure)**MP324 Nkomazi - Table A4 Budgeted Financial Performance (revenue and expenditure)**

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Revenue By Source									
Property rates	59 401	64 117	108 511	88 315	111 254	111 254	117 929	124 769	132 005
Property rates - penalties & collection charges									
Service charges - electricity revenue	50 422	55 892	75 832	79 972	80 010	80 010	86 411	93 324	100 945
Service charges - water revenue	11 802	12 385	15 942	17 191	17 191	17 191	18 394	19 682	21 059
Service charges - sanitation revenue	2 720	3 468	3 837	4 285	4 285	4 285	4 581	4 902	5 245
Service charges - refuse revenue	4 261	5 106	5 508	6 527	6 527	6 527	7 180	7 898	8 688
Service charges - other	-	-	-	-	-	-	-	0	0
Rental of facilities and equipment	3 820	3 393	3 342	5 680	7 921	7 921	8 475	9 069	9 703
Interest earned - external investments	3 048	1 794	1 202	728	4 028	4 028	4 310	4 612	4 935
Interest earned - outstanding debtors	2 695	5 220	3 629	1 796	4 599	4 599	4 921	5 265	5 634
Dividends received	-	-	-	-	-	-	-	0	0
Fines	357	9 594	37 336	9 683	5 555	5 555	5 944	6 360	6 805
Licences and permits	30	19	13	22	22	22	24	26	28
Agency services	9 943	4 670	8 150	14 667	14 667	14 667	15 694	16 792	17 968
Transfers recognised - operational	275 222	314 428	387 633	436 751	436 751	436 751	460 207	501 202	542 022
Other revenue	32 079	11 127	16 467	8 070	8 813	8 813	9 060	9 979	10 975
Gains on disposal of PPE		137							
Total Revenue (excluding capital transfers and contributions)	455 799	491 352	667 404	673 687	701 623	701 623	743 130	803 879	866 011
Expenditure By Type									
Employee related costs	200 075	237 098	257 002	246 785	250 170	250 170	287 455	306 910	327 939
Remuneration of councillors	18 233	19 137	20 292	21 690	21 690	21 690	24 299	25 951	27 716
Debt impairment	4 872	10 270	23 821	17 966	17 966	17 966	18 936	20 034	21 196
Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Finance charges	1 182	2 314	5 178	781	781	781	469	496	525
Bulk purchases	54 728	82 787	94 147	81 622	81 622	81 622	88 048	95 063	102 638
Other materials	1 310	1 193	996	1 436	1 436	1 436	2 369	2 506	2 652
Contracted services	23 582	23 266	35 292	21 410	20 610	20 610	33 221	35 148	37 187
Transfers and grants	97	41	231	223	288	288	235	248	263
Other expenditure	140 724	183 620	195 476	122 535	123 177	123 177	185 845	194 193	205 448
Loss on disposal of PPE			3 879						
Total Expenditure	501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875
Surplus/(Deficit)	(45 431)	(124 272)	(30 576)	91 366	116 009	116 009	33 185	50 254	63 136
Transfers recognised - capital	142 972	169 433	260 871	382 574	382 574	382 574	324 571	367 807	369 035
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets									
Surplus/(Deficit) after capital transfers & contributions	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Taxation									
Surplus/(Deficit) after taxation	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Attributable to minorities									
Surplus/(Deficit) attributable to municipality	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Share of surplus/ (deficit) of associate									
Surplus/(Deficit) for the year	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171

Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**MP324 Nkomazi - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding**

Vote Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	-	-	-	-	-	-	-	-	-
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	-	-	-	-	-	-	-	-	-
Vote 3 - Vote 3 - CORPORATE SERVICES	-	-	-	-	-	-	-	-	-
Vote 4 - PLANNING AND DEVELOPMENT	-	-	-	-	-	-	-	-	-
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	-	-	5 397	12 753	33 126	33 126	31 466	33 921	55 000
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	-	108 241	183 552	308 369	340 987	340 987	261 185	273 206	299 035
	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	-	108 241	188 950	321 122	374 113	374 113	292 652	307 128	354 035
Single-year expenditure to be appropriated									
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	114	24	31	-	-	-	1 000	-	-
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	104	175	1 457	7 040	7 040	7 040	210	-	-
Vote 3 - Vote 3 - CORPORATE SERVICES	1 923	911	-	1 620	1 620	1 620	3 406	-	-
Vote 4 - PLANNING AND DEVELOPMENT	-	4 034	-	3 900	3 900	3 900	4 665	-	-
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	8 854	16 052	592	15 732	6 400	6 400	9 043	-	-
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	120 950	54 678	40 527	63 766	22 651	22 651	43 429	67 594	21 960
	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total	131 945	75 874	42 607	92 057	41 611	41 611	61 753	67 594	21 960
Total Capital Expenditure - Vote	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
Capital Expenditure - Standard									
Governance and administration	2 142	1 110	1 488	8 660	8 660	8 660	4 616	-	-
Executive and council	114	24	31	-	-	-	1 000	-	-
Budget and treasury office	104	175	1 457	7 040	7 040	7 040	210	-	-
Corporate services	1 923	911	-	1 620	1 620	1 620	3 406	-	-
Community and public safety	427	384	-	2 600	2 600	2 600	2 800	-	-
Community and social services	427	199	-	400	400	400	-	-	-
Sport and recreation	-	-	-	-	-	-	-	-	-
Public safety	-	185	-	2 200	2 200	2 200	2 800	-	-
Housing	-	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	19 786	54 288	30 276	58 830	94 920	94 920	86 180	90 027	118 395
Planning and development	7 338	14 923	4 469	24 705	35 920	35 920	32 274	24 821	35 000
Road transport	11 782	39 365	25 715	33 525	58 400	58 400	52 825	65 205	83 395
Environmental protection	667	-	93	600	600	600	1 080	-	-
Trading services	109 590	128 333	199 793	343 089	309 544	309 544	260 809	284 695	257 600
Electricity	19 618	19 298	9 378	15 700	18 006	18 006	18 615	16 300	21 500
Water	86 736	106 704	189 317	298 049	262 133	262 133	204 494	219 295	166 100
Waste water management	2 813	-	-	24 500	24 739	24 739	30 800	40 000	50 000
Waste management	423	2 332	1 097	4 840	4 666	4 666	6 900	9 100	20 000
Other									
Total Capital Expenditure - Standard	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
Funded by:									
National Government	122 215	165 238	227 606	382 574	385 119	385 119	324 571	367 807	369 035
Provincial Government									
District Municipality									
Other transfers and grants		2 038							
Transfers recognised - capital	122 215	167 276	227 606	382 574	385 119	385 119	324 571	367 807	369 035
Public contributions & donations		3 752							
Borrowing									
Internally generated funds	9 730	13 087	3 950	30 605	30 605	30 605	29 834	6 915	6 960
Total Capital Funding	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

Table A6 -Budgeted Financial Position**MP324 Nkomazi - Table A6 Budgeted Financial Position**

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
ASSETS									
Current assets									
Cash	2 614	3 418	33 114	121 542	54 877	54 877	69 980	130 519	204 137
Call investment deposits	5 000	5 000	5 000	—	—	—	5 000	5 000	5 000
Consumer debtors	48 329	66 786	120 131	95 198	173 571	173 571	227 043	322 815	300 350
Other debtors	15 856	35 266	36 354	4 941	4 941	4 941	6 323	6 690	7 078
Current portion of long-term receivables		3 505	9 016		—	—	9 016	9 016	9 016
Inventory	1 021	897	805	777	777	777	822	870	920
Total current assets	72 820	114 872	204 421	222 458	234 165	234 165	318 185	474 909	526 501
Non current assets									
Long-term receivables									
Investments									
Investment property	34 937	45 015	44 798	34 387	44 798	44 798	44 798	44 798	44 798
Investment in Associate									
Property, plant and equipment	1 368 917	1 573 596	1 741 326	2 026 710	2 064 236	2 064 236	2 348 924	2 650 571	2 949 254
Agricultural					—	—			
Biological					—	—			
Intangible	245	264	230	671	430	430	1 080	1 080	1 080
Other non-current assets	4 889	2 952	1 752	2 813	1 752	1 752	1 752	1 752	1 752
Total non current assets	1 408 987	1 621 827	1 788 106	2 064 581	2 111 216	2 111 216	2 396 553	2 698 201	2 996 884
TOTAL ASSETS	1 481 808	1 736 699	1 992 526	2 287 038	2 345 382	2 345 382	2 714 738	3 173 110	3 523 385
LIABILITIES									
Current liabilities									
Bank overdraft	—	4 433	—	—	—	—			
Borrowing	1 071	538	980	365	433	433	291	482	885
Consumer deposits		2 803	3 224		—	—			
Trade and other payables	127 909	218 015	239 551	174 104	121 600	121 600	94 390	129 133	41 441
Provisions	11 740	30 456	34 149	9 498	41 288	41 288	43 683	46 217	48 897
Total current liabilities	140 719	256 246	277 903	183 967	163 321	163 321	138 365	175 832	91 223
Non current liabilities									
Borrowing	3 117	2 722	2 423	1 448	1 730	1 730	1 439	885	—
Provisions	—	48 047	52 222	20 633	21 768	21 768	58 615	62 015	65 612
Total non current liabilities	3 117	50 769	54 645	22 081	23 499	23 499	60 054	62 900	65 612
TOTAL LIABILITIES	143 836	307 015	332 548	206 048	186 820	186 820	198 419	238 732	156 835
NET ASSETS	1 337 972	1 429 684	1 659 978	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	1 337 972	1 429 684	1 678 658	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550
Reserves	—	—	—	—	—	—	—	—	—
TOTAL COMMUNITY WEALTH/EQUITY	1 337 972	1 429 684	1 678 658	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as “accounting” Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.

Table A7 - Budgeted Cash Flow Statement**MP324 Nkomazi - Table A7 Budgeted Cash Flows**

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates, penalties & collection charges	47 363	43 902	59 718	48 382	60 949	60 949	64 606	68 353	72 318
Service charges	77 895	69 049	97 505	101 530	101 726	101 726	109 868	118 566	128 107
Other revenue	32 181	42 066	57 459	29 258	28 574	28 574	30 404	32 751	35 272
Government - operating	271 657	314 653	387 633	436 751	436 751	436 751	460 207	501 202	542 022
Government - capital	146 102	169 208	260 871	382 574	382 574	382 574	324 571	367 807	369 035
Interest	3 048	1 794	1 202	1 938	6 621	6 621	7 085	7 581	8 111
Dividends	-	-	-	-	-	-	-	0	0
Payments									
Suppliers and employees	(437 249)	(370 885)	(586 779)	(495 478)	(583 640)	(583 640)	(621 237)	(659 772)	(703 580)
Finance charges	(979)	(2 345)	(5 178)	(781)	(781)	(781)	(469)	(496)	(525)
Transfers and Grants	(97)	(41)	(231)	(223)	(288)	(288)	(235)	(248)	(263)
NET CASH FROM/(USED) OPERATING ACTIVITIES	139 920	267 401	272 200	503 952	432 486	432 486	374 800	435 743	450 498
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	-	2 038	(1 098)	-	-	-	-	-	-
Decrease (increase) in non-current debtors	-	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivable	-	(203)	(5 511)	-	-	-	-	-	-
Decrease (increase) in non-current investments	-	-	-	-	-	-	-	-	-
Payments									
Capital assets	(131 945)	(271 823)	(231 556)	(382 574)	(415 724)	(415 724)	(354 405)	(374 722)	(375 995)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(131 945)	(269 988)	(238 165)	(382 574)	(415 724)	(415 724)	(354 405)	(374 722)	(375 995)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	-	-	-	-	-	-	-	-	-
Borrowing long term/refinancing	-	-	536	-	-	-	-	-	-
Increase (decrease) in consumer deposits	-	-	-	-	-	-	-	-	-
Payments									
Repayment of borrowing	(1 842)	(1 043)	(441)	-	-	-	(291)	(482)	(885)
NET CASH FROM/(USED) FINANCING ACTIVITIES	(1 842)	(1 043)	94	-	-	-	(291)	(482)	(885)
NET INCREASE/ (DECREASE) IN CASH HELD	6 133	(3 630)	34 129	121 377	16 762	16 762	20 103	60 539	73 618
Cash/cash equivalents at the year begin:	1 481	7 614	3 985	164	38 114	38 114	54 877	74 980	135 519
Cash/cash equivalents at the year end:	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137

1. The budgeted cash flow statement shows the expected level of cash in-flow versus cash out-flows that is likely to result from the implementation of the budget.
2. It can be seen that the is currently operating at a deficit , this unsustainable cash position had to be addressed as a matter of urgency and various interventions needs to implemented such as the reduction of expenditure allocations and implementation of the revenue enhancement strategy.

Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

MP324 Nkomazi - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137
Other current investments > 90 days	0	–	0	–	(0)	(0)	–	–	–
Non current assets - Investments	–	–	–	–	–	–	–	–	–
Cash and investments available:	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137
Application of cash and investments									
Unspent conditional transfers	16 372	16 915	2 543	–	2 544	2 544	–	–	–
Unspent borrowing	–	–	–	–	–	–	–	–	–
Statutory requirements	–	–	–	–	–	–	–	–	–
Other working capital requirements	54 616	110 699	116 411	98 146	(11 828)	(11 828)	(77 216)	(113 708)	(185 667)
Other provisions	–	–	–	–	–	–	–	–	–
Long term investments committed	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–	–	–	–	–	–
Total Application of cash and investments:	70 988	127 613	118 954	98 146	(9 283)	(9 283)	(77 216)	(113 708)	(185 667)
Surplus(shortfall)	(63 373)	(123 628)	(80 839)	23 396	64 160	64 160	152 195	249 228	394 804

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.

Table A9 - Asset Management

MP324 Nkomazi - Table A9 Asset Management

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	48 224	52 706	138 718	214 442	234 408	234 408	252 329	298 378	287 978
Infrastructure - Road transport	10 017	11 267	25 182	31 125	56 000	56 000	52 165	65 145	82 995
Infrastructure - Electricity	18 817	16 598	9 028	12 800	15 106	15 106	6 500	4 700	4 900
Infrastructure - Water	9 642	12 494	101 610	108 880	97 959	97 959	103 996	137 180	78 023
Infrastructure - Sanitation	-	-	-	24 500	-	-	10 800	17 100	30 000
Infrastructure - Other	-	-	929	2 000	1 800	1 800	-	-	-
Infrastructure	38 476	40 358	136 750	179 305	170 864	170 864	173 461	224 125	195 918
Community	219	3 425	-	12 332	40 739	40 739	62 314	72 038	90 000
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	9 410	8 816	1 911	22 605	22 605	22 605	15 904	2 215	2 060
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	119	106	57	200	200	200	650	-	-
Total Renewal of Existing Assets	83 721	131 409	92 839	198 737	181 316	181 316	102 075	76 343	88 017
Infrastructure - Road transport	495	28 098	394	-	-	-	-	-	-
Infrastructure - Electricity	-	2 458	270	2 800	2 800	2 800	-	-	-
Infrastructure - Water	74 517	66 173	90 320	185 984	160 989	160 989	74 943	73 560	78 017
Infrastructure - Sanitation	423	3 439	-	-	-	-	-	-	-
Infrastructure - Other	1 918	22 943	-	-	26	26	-	-	-
Infrastructure	77 352	123 111	90 985	188 784	163 816	163 816	74 943	73 560	78 017
Community	6 243	7 465	1 854	7 753	15 300	15 300	23 232	2 783	10 000
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	125	834	-	2 200	2 200	2 200	3 900	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	10 512	39 365	25 577	31 125	56 000	56 000	52 165	65 145	82 995
Infrastructure - Road transport	18 817	19 056	9 298	15 600	17 906	17 906	6 500	4 700	4 900
Infrastructure - Electricity	84 159	78 667	191 931	294 864	258 948	258 948	178 939	210 740	156 040
Infrastructure - Water	423	3 439	-	24 500	-	-	10 800	17 100	30 000
Infrastructure - Sanitation	1 918	22 943	929	2 000	1 826	1 826	-	-	-
Infrastructure - Other	115 828	163 469	227 734	368 090	334 680	334 680	248 404	297 685	273 935
Infrastructure	6 462	10 890	1 854	20 085	56 039	56 039	85 546	74 821	100 000
Community	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	9 535	9 650	1 911	24 805	24 805	24 805	19 804	2 215	2 060
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	119	106	57	200	200	200	650	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	146 427	194 851	209 920	220 314	254 468	254 468	296 332	350 579	422 043
Infrastructure - Electricity	81 775	99 046	104 746	123 004	118 160	118 160	121 304	122 454	123 597
Infrastructure - Water	519 258	593 843	752 374	969 695	982 969	982 969	1 130 185	1 307 362	1 427 892
Infrastructure - Sanitation	10 001	8 578	7 607	60 005	7 994	7 994	18 551	35 395	65 123
Infrastructure - Other	7 143	29 498	30 001	32 784	31 677	31 677	51 331	53 387	55 280
Infrastructure	764 603	925 817	1 104 647	1 405 802	1 395 268	1 395 268	1 617 704	1 869 176	2 093 935
Community	562 664	605 211	600 872	582 470	626 645	626 645	705 853	773 969	866 875
Heritage assets	2 813	2 813	1 622	2 813	1 622	1 622	1 622	1 622	1 622
Investment properties	34 937	45 015	44 798	34 387	44 798	44 798	44 798	44 798	44 798
Other assets	43 727	42 707	35 937	38 268	42 453	42 453	45 300	29 575	12 654
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	245	264	230	671	430	430	1 080	1 080	1 080
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1 408 987	1 621 827	1 788 105	2 064 411	2 111 216	2 111 216	2 416 357	2 720 220	3 020 963
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Repairs and Maintenance by Asset Class	22 682	11 889	23 858	21 914	19 766	19 766	30 429	32 194	34 061
Infrastructure - Road transport	2 291	-	736	3 018	3 018	3 018	4 000	4 232	4 477
Infrastructure - Electricity	4 838	1 871	2 724	3 950	2 650	2 650	5 000	5 290	5 597
Infrastructure - Water	11 171	-	4 891	5 987	5 987	5 987	8 387	8 873	9 388
Infrastructure - Sanitation	1 886	-	1 378	2 263	2 263	2 263	2 868	3 034	3 210
Infrastructure - Other	986	-	1 683	2 252	1 142	1 142	2 310	2 444	2 586
Infrastructure	21 171	1 871	11 413	17 469	15 059	15 059	22 565	23 873	25 258
Community	-	19	87	225	225	225	200	212	224
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	1 511	9 999	12 357	4 219	4 481	4 481	7 664	8 109	8 579
TOTAL EXPENDITURE OTHER ITEMS	79 109	67 789	85 524	89 788	87 640	87 640	99 497	105 268	111 373

Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. National Treasury has recommended that municipalities should allocate at least 40 per cent of their capital budget to the renewal of existing assets, and allocations to repairs and maintenance should be 8 per cent of PPE.

A10 - Basic Service Delivery Measurement

MP324 Nkomazi - Table A10 Basic service delivery measurement

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets									
Water:									
Piped water inside dwelling	20 071	20 071	20 071	20 071	20 071	20 071	20 794	20 794	20 794
Piped water inside yard (but not in dwelling)	35 458	35 458	35 458	35 458	35 458	35 458	36 734	36 734	36 734
Using public tap (at least min.service level)	19 536	19 536	19 536	19 536	19 536	19 536	20 239	20 239	20 239
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	75 065	75 065	75 065	75 065	75 065	75 065	77 767	77 767	77 767
Using public tap (< min.service level)	3 095	3 095	3 095	3 095	3 095	3 095	3 206	3 206	3 206
Other water supply (< min.service level)	-	-	-	-	-	-	-	-	-
No water supply	18 042	18 042	18 042	18 042	18 042	18 042	18 692	18 692	18 692
<i>Below Minimum Service Level sub-total</i>	21 137	21 137	21 137	21 137	21 137	21 137	21 898	21 898	21 898
Total number of households	96 202	96 202	96 202	96 202	96 202	96 202	99 665	99 665	99 665
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	5 387	5 387	5 387	5 387	5 387	5 387	5 581	5 581	5 581
Flush toilet (with septic tank)	1 828	1 828	1 828	1 828	1 828	1 828	1 894	1 894	1 894
Chemical toilet	35 980	35 980	35 980	35 980	35 980	35 980	37 275	37 275	37 275
Pit toilet (ventilated)	34 440	34 440	34 440	34 440	34 440	34 440	35 680	35 680	35 680
Other toilet provisions (> min.service level)	1 924	1 924	1 924	1 924	1 924	1 924	1 993	1 993	1 993
<i>Minimum Service Level and Above sub-total</i>	79 559	79 559	79 559	79 559	79 559	79 559	82 423	82 423	82 423
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	16 643	16 643	16 643	16 643	16 643	16 643	17 242	17 242	17 242
<i>Below Minimum Service Level sub-total</i>	16 643	16 643	16 643	16 643	16 643	16 643	17 242	17 242	17 242
Total number of households	96 202	96 202	96 202	96 202	96 202	96 202	99 665	99 665	99 665
Energy:									
Electricity (at least min.service level)	80 153	80 153	80 153	80 153	80 153	80 153	83 039	83 039	83 039
Electricity - prepaid (min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	80 153	80 153	80 153	80 153	80 153	80 153	83 039	83 039	83 039
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	16 049	16 049	16 049	16 049	16 049	16 049	16 627	16 627	16 627
<i>Below Minimum Service Level sub-total</i>	16 049	16 049	16 049	16 049	16 049	16 049	16 627	16 627	16 627
Total number of households	96 202	96 202	96 202	96 202	96 202	96 202	99 665	99 665	99 665
Refuse:									
Removed at least once a week	19 404	19 404	19 404	19 404	19 404	19 404	20 103	20 103	20 103
<i>Minimum Service Level and Above sub-total</i>	19 404	19 404	19 404	19 404	19 404	19 404	20 103	20 103	20 103
Removed less frequently than once a week	1 200	1 200	1 200	1 200	1 200	1 200	1 243	1 243	1 243
Using communal refuse dump	3 470	3 470	3 470	3 470	3 470	3 470	3 595	3 595	3 595
Using own refuse dump	59 585	59 585	59 585	59 585	59 585	59 585	61 730	61 730	61 730
Other rubbish disposal	1 722	1 722	1 722	1 722	1 722	1 722	1 784	1 784	1 784
No rubbish disposal	10 821	10 821	10 821	10 821	10 821	10 821	11 211	11 211	11 211
<i>Below Minimum Service Level sub-total</i>	76 798	76 798	76 798	76 798	76 798	76 798	79 563	79 563	79 563
Total number of households	96 202	96 202	96 202	96 202	96 202	96 202	99 665	99 665	99 665
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Sanitation (free minimum level service)	-	-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)	-	-	-	-	-	-	-	-	-
Refuse (removed at least once a week)	-	-	-	-	-	-	-	-	-
Cost of Free Basic Services provided - Formal Settlements (R'000)									
Water (6 kilolitres per indigent household per month)	-	-	-	-	-	-	36 690	38 011	39 379
Sanitation (free sanitation service to indigent households)	-	-	-	-	-	-	29 144	30 193	31 280
Electricity/other energy (50kwh per indigent household per month)	-	-	-	-	-	-	24 265	25 138	26 043
Refuse (removed once a week for indigent households)	-	-	-	-	-	-	24 429	25 308	26 220
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)									
Total cost of FBS provided	-	-	-	-	-	-	114 528	118 651	122 922
Highest level of free service provided per household									
Property rates (R value threshold)	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000	15 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	-	-	-	-	-	-	-	-	-
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	-	-	-	-	-	-	-	-	-
Revenue cost of subsidised services provided (R'000)									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)	-	-	-	22 939	22 939	22 939	24 315	25 725	27 217
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA	-	-	-	22 939	22 939	22 939	24 315	25 725	27 217
Water (in excess of 6 kilolitres per indigent household per month)	-	-	-	-	-	-	-	-	-
Sanitation (in excess of free sanitation service to indigent households)	-	-	-	-	-	-	-	-	-
Electricity/other energy (in excess of 50 kwh per indigent household per month)	-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)	-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates	-	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of subsidised services provided	-	-	-	45 877	45 877	45 877	48 630	51 450	54 434

Part 2 – Supporting Documentation

2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the Executive Mayor.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August) a time schedule that sets out the process to revise the IDP and prepare the budget. The Mayor tabled in Council the required budget time table.

2.1.2 IDP and Service Delivery and Budget Implementation Plan

The municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan.

The IDP has been taken into a business and financial planning process leading up to the 2016/17 MTREF, based on the approved 2015/16 MTREF, Mid-year Review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2016/17 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2015/16 Departmental Service Delivery and Budget Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2016/17 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2016/17 MTREF:

- Municipal growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate and trends (i.e inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2015/16 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars has been taken into consideration in the planning and prioritisation process.

2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;

- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGISA);
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

In order to ensure integrated and focused service delivery between all spheres of government it was important for the municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities.

The 2016/17 MTREF has therefore been directly informed by the IDP revision process and tables SA4 to table SA6 on pages 41-43 provide are conciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

2.3 Overview of budget related policies

The budget related policies were amended as follows:

Policy	Changes	Previous 2015-16	Current Draft 2016-17
Draft Asset Management Policy	N/A	N/A	N/A
Draft Budget Policy	N/A	N/A	N/A
Draft Cash Management and Investment Policy	N/A	N/A	N/A
Draft Cellular phone & 3G Card Policy	N/A	N/A	N/A

Credit Control and Debt Collection Policy	Page 6	N/A	<p>a) <u>In terms of the Municipal Systems Act of 2000, 96. A municipality— (a) must collect all money that is due and payable to it, subject to this Act and any other applicable legislation; and 35 (b) for this purpose, must adopt, maintain and implement a credit control and debt collection policy which is consistent with its rates and tariff policies and complies with the provisions of this Act.</u></p> <p>b) <u>The municipal manager is accountable for implementation of this policy</u></p> <p>c) <u>The Objective of this policy is to ensure the municipality has a credit control and debt collection policy provides.</u></p>
	Page 9	N/A	<p><u>“Residential property”</u> <u>The municipality will endeavor to register owners only for services on their property</u></p> <p><u>“Business Property”</u> <u>The municipality will only enter into new contracts for municipal services with if the owner of the property id s multi property owner as defined, and the municipal accounts on all of his or her properties are paid. Where the landlord is not a multi-property owner, the owner of the property must register for services.</u></p> <p><u>“Government property”</u> <u>The municipality will continue to register tenants for services. The respective government department shall be held liable for their own property</u></p>
	Page 13	<u>A customer must on application for the provision of municipal services and before the</u>	<u>At the time of registration as a customer, a deposit will be required based on the criteria set by the CFO from time to time.</u>

		<u>municipality or its authorized agent will provide such services, pay a deposit, if the municipal council has determined a deposit.</u>	<u>The CFO/MM may exclude a category of owners from payment of deposits and may waive the requirements for a deposit where a pre-payment electricity meter or water management device has been installed.</u> <u>Deposit will be due and payable on registration of new customers and upon the movement of existing customers to a new address</u> <u>The municipality may appropriate a customer's deposit on any account related to that customer</u> <u>Where a business customer does not present a valid South African ID document, a deposit equivalent to twice the usual deposit shall apply in addition to the personal surety- ships</u>
	Page 14	N/A	<u>(a) Instances where a consumer defaults payment on arrear debt, the municipality can increase the consumer deposit</u> <u>(b) Deposit should be made by way cash payments. Council however recognize that for large and very large electricity user's guarantees may be accepted in place of deposits.</u>
	Page 15	N/A	<u>Conversion to prepaid meters</u> 1. Electricity consumers are have the option of converting from conventional meters to prepaid meters only once their municipal account is up to date 2. No conversion is to be done on accounts or properties with outstanding balances.
	Page 24	N/A	<u>Council is to review interest charges annually.</u> <u>Interest may be reversed under the following circumstances:</u> 1. <u>Exemptions as determined by this policy from time to time</u> 2. <u>If the municipality has made an administrative error on the account</u>

			3. <u>Where the owner takes over the debt of a tenant</u>
	Page 25	2.3.1 N/A	(i) <u>Prepaid consumers will be immediately blocked should they accumulate arrears on their rates and taxes accounts</u>
	Page 27	2.3.2 N/A	<u>Arrangement may be entered into by the relevant staff member appointed or delegated to by the CFO/MM</u>
	Page 36	2.3.3 N/A	(i) <u>All councilors are to support this policy and report to the municipal manager on any detected breaches of by-laws or any information of interference with the implementation of policy submitted to council.</u>
Indigent Policy	N/A	N/A	N/A
Property Rates Policy	N/A	N/A	N/A
Subsistence and Travel Policy	N/A	N/A	N/A
Supply Chain Management Policy	Page 17	N/A	<p>Prospective providers of goods and services that must be used for the procurement requirements of the municipality will be performed through the Web Based Central Supplier Data Base (CSD) administered by the National Treasury. CSD assist the municipality in performing validation functions of key supply information</p> <p>The Central Supplier Database maintains a database of organisations, institutions and individuals who can provide goods and services to government. The CSD will serve as the single source of key supplier information for organs of state providing consolidated, accurate, up-to-date, complete and verified supplier information to procuring organs of state.</p> <p>The registration of a supplier on the CSD has the same effect as paper based registration processes which are carried out through manual submission of the supplier information to an organ of state. Registration as supplier on the CSD does not</p>

			prevent the supplier from registering by submitting the required information and documents to an organ of state manually or by any other manner accepted by the organ of state. .
Tariff Policy	N/A	N/A	N/A
Telephone and Fax Policy	N/A	N/A	N/A
Unallocated deposits Policy	N/A	N/A	N/A
Virement Policy	N/A	N/A	N/A

2.4 Supporting Budget Tables- SA1-SA35

MP324 Nkomazi - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand										
REVENUE ITEMS:										
Property rates										
Total Property Rates	59 401	64 117	108 511	111 254	134 192	134 192	134 192	142 244	150 494	159 223
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		–		22 939	22 939	22 939	22 939	24 315	25 725	27 217
Net Property Rates	59 401	64 117	108 511	88 315	111 254	111 254	111 254	117 929	124 769	132 005
Service charges - electricity revenue										
Total Service charges - electricity revenue	50 422	55 892	75 832	79 972	80 010	80 010	80 010	110 676	118 462	126 988
less Revenue Foregone (in excess of 50 kwh per indigent household per month)										
less Cost of Free Basis Services (50 kwh per indigent household per month)	–	–	–	–	–	–		24 265	25 138	26 043
Net Service charges - electricity revenue	50 422	55 892	75 832	79 972	80 010	80 010	80 010	86 411	93 324	100 945
Service charges - water revenue										
Total Service charges - water revenue	11 802	12 385	15 942	17 191	17 191	17 191	17 191	55 084	57 692	60 438
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)										
less Cost of Free Basis Services (6 kilolitres per indigent household per month)	–	–	–	–	–	–		36 690	38 011	39 379
Net Service charges - water revenue	11 802	12 385	15 942	17 191	17 191	17 191	17 191	18 394	19 682	21 059
Service charges - sanitation revenue										
Total Service charges - sanitation revenue	2 720	3 468	3 837	4 285	4 285	4 285	4 285	33 725	35 095	36 525
less Revenue Foregone (in excess of free sanitation service to indigent households)										
less Cost of Free Basis Services (free sanitation service to indigent households)	–	–	–	–	–	–		29 144	30 193	31 280
Net Service charges - sanitation revenue	2 720	3 468	3 837	4 285	4 285	4 285	4 285	4 581	4 902	5 245
Service charges - refuse revenue										
Total refuse removal revenue	4 261	5 106	5 508	6 527	6 527	6 527	6 527	31 609	33 206	34 907
Total landfill revenue										
less Revenue Foregone (in excess of one removal a week to indigent households)										
less Cost of Free Basis Services (removed once a week to indigent households)	–	–	–	–	–	–		24 429	25 308	26 220
Net Service charges - refuse revenue	4 261	5 106	5 508	6 527	6 527	6 527	6 527	7 180	7 898	8 688
Other Revenue by source										
List other revenue by source	32 079									
ENTRANCE FEES		1 094	1 128	2 258	2 169	2 169	2 169	2 321	2 484	2 658
SETA TRAINING REFUND		2 273	1 403	–	–	–	–	–	–	–
PROOF OF RESIDENCE		644	1 137	878	1 421	1 421	1 421	1 521	1 627	1 741
LEGAL FEES RECOVERED		1 035	1 730	842	316	316	316	338	362	387
BULK CONTRIBUTIONS		279	779	805	805	805	805	862	922	986
TENDER DOCUMENTS		693	521	558	419	419	419	448	479	513
BUILDING PLAN FEES		615	799	512	512	512	512	548	587	628
TOWN PLANNING FEES		224	293	410	410	410	410	439	469	502
OTHER REVENUE		4 270	8 678	1 012	1 966	1 966	1 966	1 733	2 139	2 586
GIS SERVICES & PRODUCTS			–	795	795	795	795	851	910	974
Total 'Other' Revenue	32 079	11 127	16 467	8 070	8 813	8 813	8 813	9 060	9 979	10 975
EXPENDITURE ITEMS:										
Employee related costs										
Basic Salaries and Wages	113 628	139 592	152 347	157 448	157 920	157 920	157 920	176 886	188 855	201 771
Pension and UIF Contributions	25 107	29 915	30 903	34 055	34 105	34 105	34 105	38 263	40 865	43 673
Medical Aid Contributions	6 871	7 546	13 676	9 704	9 704	9 704	9 704	12 201	13 030	13 929
Overtime	20 323	23 477	28 305	13 706	16 568	16 568	16 568	16 488	17 609	18 822
Performance Bonus	9 286	10 495	11 519	12 687	12 687	12 687	12 687	14 501	15 487	16 551
Motor Vehicle Allowance	9 322	8 744	9 624	11 362	11 362	11 362	11 362	13 534	14 454	15 449
Cellphone Allowance	1 169	1 221	1 560	1 718	1 718	1 718	1 718	2 014	2 151	2 302
Housing Allowances	1 101	1 094	1 146	1 215	1 215	1 215	1 215	1 344	1 436	1 534
Other benefits and allowances	10 892	4 964	2 084	2 494	2 494	2 494	2 494	2 696	2 877	3 072
Payments in lieu of leave	1 302	9 831	2 167	1 581	1 581	1 581	1 581	1 692	1 807	1 930
Long service awards	889	–	3 430	517	517	517	517	2 424	2 589	2 766
Post-retirement benefit obligations	185	219	241	298	298	298	298	150	159	168
sub-total	200 075	237 098	257 002	246 785	250 170	250 170	250 170	282 191	301 317	321 965
Less: Employees costs capitalised to PPE					–	–				
Total Employee related costs	200 075	237 098	257 002	246 785	250 170	250 170	250 170	282 191	301 317	321 965

MP324 Nkomazi - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Contributions recognised - capital <i>List contributions by contract</i>									
Total Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	53 370	49 110	47 238	63 984	63 984	63 984	64 968	68 736	72 723
Lease amortisation					-	-			
Capital asset impairment	3 057	6 790	14 428	3 890	3 890	3 890	4 100	4 338	4 589
Depreciation resulting from revaluation of PPE					-	-	-	-	-
Total Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Bulk purchases									
Electricity Bulk Purchases	54 728	80 670	92 815	80 327	80 327	80 327	86 753	93 694	101 189
Water Bulk Purchases		2 117	1 332	1 295	1 295	1 295	1 295	1 370	1 449
Total bulk purchases	54 728	82 787	94 147	81 622	81 622	81 622	88 048	95 063	102 638
Transfers and grants									
Cash transfers and grants	97	41	231	223	288	288	235	248	263
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
Total transfers and grants	97	41	231	223	288	288	235	248	263
Contracted services									
Transport of money	355	353	367	465	465	465	490	519	549
Security	13 179	18 027	22 813	14 469	14 469	14 469	25 000	26 450	27 984
FMS Support services	3 477	4 060	11 323	2 185	2 185	2 185	2 303	2 436	2 577
Fleet Management	6 571	826	789	1 541	1 041	1 041	2 678	2 834	2 998
STEENBOK LANDFILL			-	2 750	2 450	2 450	2 750	2 910	3 078
sub-total	23 582	23 266	35 292	21 410	20 610	20 610	33 221	35 148	37 187
Allocations to organs of state:									
Electricity									
Water									
Sanitation									
Other									
Total contracted services	23 582	23 266	35 292	21 410	20 610	20 610	33 221	35 148	37 187

MP324 Nkomazi - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Contributions recognised - capital <i>List contributions by contract</i>									
Total Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment									
Depreciation of Property, Plant & Equipment	53 370	49 110	47 238	63 984	63 984	63 984	64 968	68 736	72 723
Lease amortisation					-	-			
Capital asset impairment	3 057	6 790	14 428	3 890	3 890	3 890	4 100	4 338	4 589
Depreciation resulting from revaluation of PPE					-	-			
Total Depreciation & asset impairment	56 427	55 900	61 666	67 874	67 874	67 874	69 068	73 074	77 312
Bulk purchases									
Electricity Bulk Purchases	54 728	80 670	92 815	80 327	80 327	80 327	86 753	93 694	101 189
Water Bulk Purchases		2 117	1 332	1 295	1 295	1 295	1 295	1 370	1 449
Other Expenditure By Type									
Collection costs					-	-			
Contributions to 'other' provisions					-	-			
Consultant fees		6 086	666	963	963	963	4 617	2 424	2 557
Audit fees	1 634	2 804	2 796	2 461	2 461	2 461	2 911	3 079	3 258
General expenses	62 501	79 598	115 208	44 340	50 767	50 767	78 140	82 701	87 498
Data cleansing	186	730	1 954	2 000	2 000	2 000	2 000	2 116	2 239
Courier costs & postages	172	217	140	1 050	1 050	1 050	265	281	297
Debtors Data Collection	297	448	180	-	-	-	-	-	-
Rental of Equipments, buildings & Landfill site	7 659	8 508	3 487	9 189	6 768	6 768	9 559	10 113	10 700
Water Quality Monitoring	3 394	2 506	1 957	2 331	2 331	2 331	3 347	3 541	3 747
Compilation of supplementary valuation roll	232	1 263	333	4 452	2 452	2 452	4 693	4 965	5 253
Chemicals	10 015	13 562	18 260	12 001	12 001	12 001	13 298	14 069	14 885
Telephone (rental)	3 417	2 617	2 191	1 956	2 661	2 661	2 194	2 321	2 456
Training	1 734	3 425	3 048	2 597	2 677	2 677	2 405	2 545	2 692
Fuel & oil	16 325	11 913	10 226	5 011	5 011	5 011	7 043	7 451	7 883
Legal fees	4 831	4 608	2 721	2 339	2 339	2 339	3 519	3 724	3 939
Projects	1 328	1 550	1 271	2 005	2 005	2 005	789	835	883
IT Connectivity	1 763	4 280	4 499	1 320	1 320	1 320	2 445	2 587	2 737
Electricity New Connections	1 935	1 601	1 306	1 964	1 964	1 964	3 500	3 703	3 918
EAP programme	101	286	57	158	158	158	3 500	3 703	3 918
Entrance control contract	-	-	-	-	-	-	-	-	-
Systems Development support	134	381	240	129	129	129	480	508	537
Asset Register	384	953	592	3 102	3 102	3 102	4 662	4 932	5 218
Repairs & Maintenance of Assets	22 682	31 771	23 858	21 914	19 766	19 766	30 429	32 194	34 061
Town planning projects		4 513	484	1 250	1 250	1 250	6 050	6 401	6 772
Total 'Other' Expenditure	140 724	183 620	195 476	122 535	123 177	123 177	185 845	194 193	205 448
Repairs and Maintenance									
Employee related costs									
Other materials									
Contracted Services									
Other Expenditure	22 682	31 771	23 858	21 914	19 766	19 766	30 429	32 194	34 061
Total Repairs and Maintenance Expenditure	22 682	31 771	23 858	21 914	19 766	19 766	30 429	32 194	34 061

MP324 Nkomazi - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	Vote 3 - Vote 3 - CORPORATE SERVICES	Vote 4 - PLANNING AND DEVELOPME NT	Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	Vote 6 - Vote 6 - INFRASTRU CTURE & DEVELOPME NT	Total
R thousand							
Revenue By Source							
Property rates	-	117 929	-	-	-	-	117 929
Property rates - penalties & collection charges	-	-	-	-	-	-	-
Service charges - electricity revenue	-	-	-	-	-	86 411	86 411
Service charges - water revenue	-	-	-	-	-	18 394	18 394
Service charges - sanitation revenue	-	-	-	-	-	4 581	4 581
Service charges - refuse revenue	-	-	-	-	7 180	-	7 180
Service charges - other	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	8 475	-	-	-	8 475
Interest earned - external investments	-	4 310	-	-	-	-	4 310
Interest earned - outstanding debtors	-	4 921	-	-	-	-	4 921
Dividends received	-	-	-	-	-	-	-
Fines	-	-	-	-	5 944	-	5 944
Licences and permits	-	-	-	24	-	-	24
Agency services	-	-	-	-	15 694	-	15 694
Other revenue	-	3 273	338	2 816	2 617	16	9 060
Transfers recognised - operational	5 917	171 747	-	-	59 206	223 338	460 207
Gains on disposal of PPE	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	5 917	302 180	8 813	2 840	90 640	332 739	743 130
Expenditure By Type							
Employee related costs	19 215	26 400	24 768	14 844	86 696	115 533	287 455
Remuneration of councillors	24 299	-	-	-	-	-	24 299
Debt impairment	-	18 936	-	-	-	-	18 936
Depreciation & asset impairment	-	23 295	-	-	150	45 623	69 068
Finance charges	-	-	-	-	-	469	469
Bulk purchases	-	-	-	-	-	88 048	88 048
Other materials	450	319	84	218	1 020	278	2 369
Contracted services	-	5 471	-	-	27 750	-	33 221
Transfers and grants	-	-	235	-	-	-	235
Other expenditure	14 498	47 451	21 275	14 899	26 798	60 924	185 845
Loss on disposal of PPE	-	-	-	-	-	-	-
Total Expenditure	58 462	121 871	46 363	29 961	142 414	310 875	709 944
Surplus/(Deficit)	(52 545)	180 308	(37 549)	(27 120)	(51 774)	21 865	33 185
Transfers recognised - capital						324 571	324 571
Contributions recognised - capital						-	-
Contributed assets						-	-
Surplus/(Deficit) after capital transfers & contributions	(52 545)	180 308	(37 549)	(27 120)	(51 774)	346 436	357 756

MP324 Nkomazi - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
ASSETS									
<u>Call investment deposits</u>									
Call deposits < 90 days					-	-	-	-	-
Other current investments > 90 days	5 000	5 000	5 000		-	-	5 000	5 000	5 000
Total Call investment deposits	5 000	5 000	5 000	-	-	-	5 000	5 000	5 000
<u>Consumer debtors</u>									
Consumer debtors	65 086	83 732	129 366	113 163	185 958	185 958	245 979	342 849	321 546
Less: Provision for debt impairment	(16 757)	(16 946)	(9 235)	(17 966)	(12 387)	(12 387)	(18 936)	(20 034)	(21 196)
Total Consumer debtors	48 329	66 786	120 131	95 198	173 571	173 571	227 043	322 815	300 350
<u>Debt impairment provision</u>									
Balance at the beginning of the year	14 200	16 757	16 946	17 234	9 235	9 235	12 387	18 936	20 034
Contributions to the provision	2 557	189	(7 712)	920	3 153	3 153	6 548	1 098	1 162
Bad debts written off					-	-			
Balance at end of year	16 757	16 946	9 235	18 155	12 387	12 387	18 936	20 034	21 196
<u>Property, plant and equipment (PPE)</u>									
PPE at cost/valuation (excl. finance leases)	1 616 215	1 821 147	2 041 963	2 453 143	2 432 747	2 432 747	2 786 502	3 161 224	3 537 219
Leases recognised as PPE									
Less: Accumulated depreciation	247 298	247 551	300 637	426 433	368 511	368 511	437 579	510 653	587 965
Total Property, plant and equipment (PPE)	1 368 917	1 573 596	1 741 326	2 026 710	2 064 236	2 064 236	2 348 924	2 650 571	2 949 254
LIABILITIES									
<u>Current liabilities - Borrowing</u>									
Short term loans (other than bank overdraft)									
Current portion of long-term liabilities	1 071	538	980	365	433	433	291	482	885
Total Current liabilities - Borrowing	1 071	538	980	365	433	433	291	482	885
<u>Trade and other payables</u>									
Trade and other creditors	111 537	201 101	237 008	174 104	119 055	119 055	94 390	129 133	41 441
Unspent conditional transfers	16 372	16 915	2 543	-	2 544	2 544	-	-	-
VAT	-				-	-			
Total Trade and other payables	127 909	218 015	239 551	174 104	121 600	121 600	94 390	129 133	41 441
<u>Non current liabilities - Borrowing</u>									
Borrowing	3 117	2 722	2 212	1 448	1 730	1 730	1 439	885	-
Finance leases (including PPP asset element)			212		-	-			
Total Non current liabilities - Borrowing	3 117	2 722	2 423	1 448	1 730	1 730	1 439	885	-
<u>Provisions - non-current</u>									
Retirement benefits									
List other major provision items									
Refuse landfill site rehabilitation		21 335	20 432	20 633	21 768	21 768	23 031	24 366	25 780
Other		26 712	31 790	-	-	-	35 585	37 648	39 832
Total Provisions - non-current	-	48 047	52 222	20 633	21 768	21 768	58 615	62 015	65 612
CHANGES IN NET ASSETS									
<u>Accumulated Surplus/(Deficit)</u>									
Accumulated Surplus/(Deficit) - opening balance	1 216 454	1 337 972	1 429 684	1 607 070	1 659 978	1 659 978	2 158 562	2 516 318	2 934 379
GRAP adjustments	52 612	46 551			-	-			
Restated balance	1 269 067	1 384 523	1 429 684	1 607 070	1 659 978	1 659 978	2 158 562	2 516 318	2 934 379
Surplus/(Deficit)	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Appropriations to Reserves									
Transfers from Reserves									
Depreciation offsets									
Other adjustments	(28 636)			(19)					
Accumulated Surplus/(Deficit)	1 337 972	1 429 684	1 659 978	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550
<u>Reserves</u>									
Housing Development Fund									
Capital replacement									
Self-insurance									
Other reserves									
Revaluation									
Total Reserves	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	1 337 972	1 429 684	1 659 978	2 080 990	2 158 562	2 158 562	2 516 318	2 934 379	3 366 550

MP324 Nkomazi - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Basic service delivery	Improve access to quality , sustainable and reliable water services		219 701	254 346	383 100	535 867	535 867	535 867	493 518	553 595	565 543
Basic service delivery	Improve access to quality , sustainable and reliable sanitation services		2 725	7 730	8 340	8 785	8 785	8 785	4 585	4 906	5 249
Basic service delivery	Improve access to quality , sustainable and reliable electricity services		105 294	118 741	134 539	145 302	145 341	145 341	154 219	168 233	186 140
Basic service delivery	Improve access to quality , sustainable and reliable refuse removal services		25 034	28 372	32 102	62 878	62 878	62 878	66 386	73 246	79 358
Basic service delivery	Improve municipal roads network		10 331	8 434	8 163	14 678	14 678	14 678	15 706	16 805	17 981
Local economic development	Building local economies to create more employment, decent work and sustainable livelihood		4 334	6 000	7 107	8 967	9 076	9 076	7 817	8 404	8 942
Municipal transformation and institutional development	Build more united non-racial, intergated and safer communities		1 403	10 977	60 716	12 144	8 000	8 000	8 560	9 160	9 801
Good governance and public participation	Promote more active community participation in local government		10 878	14 312	10 797	11 283	12 999	12 999	14 730	9 430	10 091
Financial viability and management	Ensure more effective, accountable and clean government that works together with national and provincial government		219 072	211 873	283 410	256 357	286 574	286 574	302 180	327 905	351 942
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			598 771	660 785	928 275	1 056 261	1 084 198	1 084 198	1 067 701	1 171 685	1 235 047

MP324 Nkomazi - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

M 024 Nomazizi - Supporting Table 04A Reconciliation of 16/17 Strategic Objectives and Budget (Operating Expenditure)											
Strategic Objective	Goal	Goal Code	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Basic service delivery	Improve access to quality, sustainable and reliable water services		115 137	124 272	129 869	118 578	118 550	118 550	131 577	139 847	148 641
Basic service delivery	Improve access to quality, sustainable and reliable sanitation services		11 132	21 367	23 043	3 407	3 292	3 292	4 339	4 601	4 878
Basic service delivery	Improve access to quality, sustainable and reliable electricity services		89 890	97 252	128 958	100 645	100 645	100 645	115 249	123 959	133 559
Basic service delivery	Improve access to quality, sustainable and reliable refuse removal services		29 398	34 050	36 591	33 334	33 234	33 234	38 434	40 493	43 113
Basic service delivery	Improve municipal roads network		41 474	49 937	52 584	52 937	51 600	51 600	58 870	62 676	66 730
Local economic development	Building local economies to create more employment, decent work and sustainable livelihood		40 777	49 279	47 959	47 780	49 686	49 686	66 685	71 036	75 579
Municipal transformation and institutional development	Build more united non-racial, intergated and safer communities		43 376	59 692	78 586	43 617	43 917	43 917	68 094	70 282	74 736
Good gorvenance and public participation	Promote more active community participation in local government		71 546	96 380	97 533	82 714	85 380	85 380	104 824	111 533	118 674
Financial viability and management	Ensure more effective, accountable and clean government that works together with national and prov incial government		58 499	83 396	102 858	99 310	99 310	99 310	121 871	129 197	136 965
Allocations to other priorities											
Total Expenditure			501 230	615 625	697 980	582 321	585 614	585 614	709 944	753 625	802 875

MP324 Nkomazi - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Annex 2: NROMZ - Supporting Table 5A: Reconciliation of RDP Strategic Objectives and Budget (Capital Expenditure)											
Strategic Objective	Goal	Goal Code	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Basic service delivery	Improve access to quality , sustainable and reliable water services	A	86 736	106 704	189 317	298 049	262 133	262 133	204 494	219 295	166 100
		B									
Basic service delivery	Improve access to quality , sustainable and reliable sanitation services	C	2 813	–	–	24 500	24 739	24 739	30 800	40 000	50 000
		D									
Basic service delivery	Improve access to quality , sustainable and reliable electricity services	E	19 618	19 298	9 378	15 700	18 006	18 006	18 615	16 300	21 500
		F									
Basic service delivery	Improve access to quality , sustainable and reliable refuse removal services	G	423	2 332	1 097	4 840	4 666	4 666	6 900	9 100	20 000
		H									
Basic service delivery	Improve municipal roads network	I	11 782	39 365	25 715	33 525	58 400	58 400	52 825	65 205	83 395
		J									
Local economic development	Building local economies to create more employment, decent work and sustainable " " " "	K	7 338	14 923	4 469	24 705	35 920	35 920	32 274	24 821	35 000
		L									
Municipal transformation and institutional development	Build more united non-racial, intergated and safer communities	M	1 093	384	93	3 200	3 200	3 200	3 880	–	–
		N									
Good gorvenance and public participation	Promote more active community participation in local government	O	2 037	935	31	1 620	1 620	1 620	4 406	–	–
Financial viability and management	Ensure more effective, accountable and clean government that works	P	104	175	1 457	7 040	7 040	7 040	210	–	–
Allocations to other priorities											
Total Capital Expenditure			131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995

MP324 Nkomazi - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Infrastructure and Development										
Function - Roads & Stormwater										
Sub-function - Eradication of										
Reduce roads backlogs (gravel road to										
Tarred road to maintain										
Sub-function - Roads Maintained										
Surfaced roads resurfaced/rehabilitated										
Sub-function - Roads for growth										
New roads to be constructed	KM	0.00	0.00	0.00	6.00	6.00	6.00	8.00	10.00	10.00
Sub-function 1 - Stormwater for growth	km	0.00	0.00	0.00	4.00	6.00	6.00	50.00	20.00	50.00
Foot bridges to be constructed										
Function - Water										
Sub-function - Eradication of water backlogs	House Holds (HH)				20000.00	17000.00	17000.00	23837.0	23837.00	23837.00
Households provided with water	km water connection							195.5	195.5	195.5
New bulk water pipelines	km of water bulk line				10.00	10.00	10.00	29.00	29.00	29.00
New Reservoirs	megalitter							28.5	28.5	28.5
New Water treatment plant										
Sub-function - Maintenance of water										
Upgrade & replace of bulk water pipelines										
Storage pressure										
Sub-function - Water Treatment & package										
Treatment works & package plant for										
Function - Sewerage										
Sub-function - Eradication of sanitation	Households (HH)				1830.00	1830.00	1830.00	1 900.0	2 000.0	2 200.0
Households provided with a sanitation										
New bulk sewer pipelines										
Sub-function - Maintenance of sanitation										
Upgrade & replace of bulk sewer plants										
Function - Electricity Distribution										
Sub-function - Provide higher levels of	Households (HH)				700.00	700.00	700.00	700.00	800.00	900.00
Houses electrified to eradicate backlogs										
Sub-function - New Connections										
Connections Completed and occupied houses										
Sub-function - Provide public lighting										
New street lights installed										
Sub-function - Maintain electricity infrastructure										
Replace overhead lines										
Install HT Ring Supply										
Replace street lights										
Electricity repairs and maintenance%										
Landfill site										
Landfill site										
WASTE LANDFILL (Nkomazi Landfill)										
Insert measure/s description										
Sub-function 2 - (name)										
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
Community Facility										
Community halls	Number			1.00	2.00	2.00	2.00	2.00	2.00	2.00
Insert measure/s description										
Stadiums	Number			2.00	3.00	3.00	3.00	3.00	0.00	0.00
Insert measure/s description										
Sub-function 3 - (name)										
Insert measure/s description										
And so on for the rest of the Votes										

MP324 Nkomazi - Supporting Table SA8 Performance indicators and benchmarks

MP324 Kromazi - Supporting Table SA6 Performance indicators and benchmarks										
Description of financial indicator	Basis of calculation	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.6%	0.5%	0.8%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.7%	1.9%	2.0%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	13.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	0.5	0.4	0.7	1.2	1.4	1.4	2.3	2.7	5.8
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.5	0.4	0.7	1.2	1.4	1.4	2.3	2.7	5.8
Liquidity Ratio	Monetary Assets/Current Liabilities	0.1	0.0	0.1	0.7	0.3	0.3	0.5	0.8	2.3
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		97.4%	80.0%	72.4%	76.4%	74.2%	74.2%	74.4%	74.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		97.4%	80.1%	75.0%	76.4%	74.2%	74.2%	74.4%	74.6%	74.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.1%	21.5%	24.8%	14.9%	25.4%	25.4%	32.6%	42.1%	36.5%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old									
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))									
Creditors to Cash and Investments		1464.8%	5046.6%	621.8%	143.2%	217.0%	217.0%	125.9%	95.3%	19.8%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	Total Volume Losses (kW)									
	Total Cost of Losses (Rand '000)									
	% Volume (units purchased and generated less units sold)/units purchased and generated									
Water Distribution Losses (2)	Total Volume Losses (kℓ)									
	Total Cost of Losses (Rand '000)									
	% Volume (units purchased and generated less units sold)/units purchased and generated									
Employee costs	Employee costs/(Total Revenue - capital revenue)	43.9%	48.3%	38.5%	36.6%	35.7%	35.7%	38.7%	38.2%	37.9%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	47.6%	53.3%	42.5%	39.9%	38.7%	38.7%	42.0%	41.4%	41.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	5.0%	2.4%	3.6%	3.3%	2.8%	2.8%	4.1%	4.0%	3.9%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	12.6%	11.8%	10.0%	10.2%	9.8%	9.8%	9.4%	9.2%	9.0%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	63.6	107.6	144.4	35.8	35.8	35.8	35.1	33.6	36.0
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	48.5%	73.1%	77.7%	49.6%	78.6%	78.6%	99.8%	130.4%	114.0%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	0.3	0.1	0.9	3.3	1.5	1.5	1.7	2.9	4.2

MP324 Nkomazi Supporting Table SA10 Funding measurement

Description	MFMA section	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	7 614	3 985	38 114	121 542	54 877	54 877	74 980	135 519	209 137
Cash + investments at the yr end less applications - R'000	18(1)b	(63 373)	(123 628)	(80 839)	23 396	64 160	64 160	231 483	335 997	391 637
Cash year end/monthly employee/supplier payments	18(1)b	0.3	0.1	0.9	3.3	1.5	1.5	1.7	2.9	4.2
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	97 541	45 161	230 295	473 940	498 584	498 584	357 756	418 060	432 171
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	N.A.	3.6%	42.7%	(12.4%)	5.7%	(6.0%)	0.9%	0.9%	0.9%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	88.7%	88.6%	77.1%	75.9%	73.3%	73.3%	73.5%	73.7%	73.9%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	3.8%	7.3%	11.4%	9.2%	8.2%	8.2%	8.1%	8.0%	7.9%
Capital payments % of capital expenditure	18(1)c:19	100.0%	147.6%	100.0%	92.6%	100.0%	100.0%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	13.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a							0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	64.5%	56.8%	(39.5%)	78.3%	0.0%	30.7%	41.2%	(6.7%)
Long term receivables % change - incr(decr)	18(1)a	N.A.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	1.7%	0.8%	1.4%	1.1%	1.0%	1.0%	1.3%	1.2%	1.2%
Asset renewal % of capital budget	20(1)(vi)	63.5%	71.4%	40.1%	48.1%	43.6%	43.6%	28.8%	20.4%	23.4%
% incr Service charges - refuse revenue	18(1)a		19.8%	7.9%	18.5%	0.0%	0.0%	10.0%	10.0%	10.0%
% incr in Service charges - other	18(1)a		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Total billable revenue	18(1)a	128 606	140 970	209 632	196 290	219 267	219 267	234 495	250 574	267 942
Service charges		128 606	140 970	209 632	196 290	219 267	219 267	234 495	250 574	267 942
Property rates		59 401	64 117	108 511	88 315	111 254	111 254	117 929	124 769	132 005
Service charges - electricity revenue		50 422	55 892	75 832	79 972	80 010	80 010	86 411	93 324	100 945
Service charges - water revenue		11 802	12 385	15 942	17 191	17 191	17 191	18 394	19 682	21 059
Service charges - sanitation revenue		2 720	3 468	3 837	4 285	4 285	4 285	4 581	4 902	5 245
Service charges - refuse removal		4 261	5 106	5 508	6 527	6 527	6 527	7 180	7 898	8 688
Service charges - other		-	-	-	-	-	-	-	0	0
Rental of facilities and equipment		3 820	3 393	3 342	5 680	7 921	7 921	8 475	9 069	9 703
Capital expenditure excluding capital grant funding		9 730	16 839	3 950	30 605	30 605	30 605	29 834	6 915	6 960
Cash receipts from ratepayers	18(1)a	157 439	155 017	214 682	179 170	191 249	191 249	204 878	219 670	235 697
Ratepayer & Other revenue	18(1)a	177 529	174 993	278 569	236 208	260 844	260 844	278 613	298 064	319 055
Change in consumer debtors (current and non-current)		52 290	41 372	59 945	(65 363)	13 010	13 010	133 228	96 138	(22 077)
Operating and Capital Grant Revenue	18(1)a	418 194	483 861	648 504	819 325	819 325	819 325	784 778	869 009	911 057
Capital expenditure - total	20(1)(vi)	131 945	184 115	231 556	413 179	415 724	415 724	354 405	374 722	375 995
Capital expenditure - renewal	20(1)(vi)	83 721	131 409	92 839	198 737	181 316	181 316	102 075	76 343	88 017
Supporting benchmarks										
Growth guideline maximum		6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
CPI guideline		4.3%	3.9%	4.6%	5.0%	5.0%	5.0%	5.4%	5.6%	5.4%
DoRA operating grants total MFY										
DoRA capital grants total MFY										
Provincial operating grants										
Provincial capital grants										
District Municipality grants										
Total gazetted/advised national, provincial and district grants								-	-	-
Average annual collection rate (arrears inclusive)										

MP324 Nkomazi - Supporting Table SA11 Property rates summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Valuation:									
Date of valuation:	2009-07-01	2009-07-01	2009-07-01						
Financial year valuation used	2012/13	2012/13	2013/14				2015/16		
Municipal by-laws s6 in place? (Y/N)	Yes	Yes	Yes				Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes	Yes	Yes				Yes		
Municipal partnership s38 used? (Y/N)	No	No	No				No	No	No
No. of assistant valuers (FTE)	-	-	-				-	-	-
No. of data collectors (FTE)	-	-	-				-	-	-
No. of internal valuers (FTE)	-	-	-				-	-	-
No. of external valuers (FTE)	1	1	1				1	1	1
No. of additional valuers (FTE)	-	-	-				-	-	-
Valuation appeal board established? (Y/N)	yes	yes	No	Yes			Yes		
Implementation time of new valuation roll (mths)									
No. of properties	22 402	22 402	22 173	17 832	17 832	17 832	17 832	17 832	17 832
No. of sectional title values	-	-	-	-	-	-	-	-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	1	-	2	2	2	2	2	2
No. of valuation roll amendments	194 for all cate	194 for all cate	82 for all cate	980	980	980	980	980	980
No. of objections by rate payers	1	1	-	65	65	65	65	65	65
No. of appeals by rate payers	-	-	-	4	4	4	4	4	4
No. of successful objections	-	-	-	65	65	65	65	65	65
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-
Supplementary valuation	1	1	-	2	2	2	2	2	2
Public service infrastructure value (Rm)	1 428	1 428	118	14	14	14	14	14	14
Municipality owned property value (Rm)	-	201	6	201	201	201	201	201	201
Valuation reductions:									
Valuation reductions-public infrastructure (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	-	-	5	-	-	-	-	-	-
Valuation reductions-public worship (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-other (Rm)	-	-	-	-	-	-	-	-	-
Total valuation reductions:	-	-	5	-	-	-	-	-	-
Total value used for rating (Rm)	6 297	6 297	6 297	11 938			11 938	11 938	11 938
Total land value (Rm)									
Total value of improvements (Rm)									
Total market value (Rm)	6 739	6 739	6 297	11 938			11 938	11 938	11 938
Rating:									
Residential rate used to determine rate for other categories? (Y/N)	No	No	No	No			No		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)									
Special rating area used? (Y/N)	No	No	No	No			No		
Phasing-in properties s21 (number)									
Rates policy accompanying budget? (Y/N)									
Fixed amount minimum value (R'000)									
Non-residential prescribed ratio s19? (%)									
Rate revenue:									
Rate revenue budget (R '000)	52 800	52 800	83 017	176 026	176 026	176 026	176 026	176 026	176 026
Rate revenue expected to collect (R'000)	47 674	47 674	71 866	164 510	164 510	164 510	164 510	164 510	164 510
Expected cash collection rate (%)	90.3%	90.3%	87.0%						
Special rating areas (R'000)			-						
Rebates, exemptions - indigent (R'000)	19	19	-				-		
Rebates, exemptions - pensioners (R'000)									
Rebates, exemptions - bona fide farm. (R'000)									
Rebates, exemptions - other (R'000)									
Phase-in reductions/discounts (R'000)									
Total rebates, exemptns, reductns, discs (R'000)	19	19	-	-	-	-	-	-	-

MP324 Nkomazi - Supporting Table SA12a Property rates by category (current year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Current Year 2015/16																
Valuation:																
No. of properties	3 644	5	500	632	323	295	153	138	8 298						1	1
No. of sectional title property values	-	-	-	-	-	-	-	-	-						-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-						-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-						-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-						-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-						-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-						-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-						-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-						-	-
No. of successful objections	-	-	-	-	-	-	-	-	-						-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-						-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-						-	-
Years since last valuation (select)	2	2	2	2	2	2	2	2	2						2	2
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5						5	5
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market						Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.						Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0						0	0
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						Yes	Yes
Flat rate used? (Y/N)	Yes	No	No	No	No	No	No	No	Yes						No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable							Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)																
Valuation reductions-nature reserves/park (Rm)																
Valuation reductions-mineral rights (Rm)																
Valuation reductions-R15,000 threshold (Rm)																
Valuation reductions-public worship (Rm)																
Valuation reductions-other (Rm)																
Total valuation reductions:																
Total value used for rating (Rm)	3 391	8	1 115	3 263	2 108	245	15	245	1 057						3	0
Total land value (Rm)																
Total value of improvements (Rm)																
Total market value (Rm)	3 391	8	1 115	3 263	2 108	245	15	245	1 057						3	0
Rating:																
Average rate	0.010300	0.025800	0.020600	0.002600	0.030900	0.020600	0.002600	0.010300	0.010300						0.009500	0.030900
Rate revenue budget (R '000)																
Rate revenue expected to collect (R'000)	34 543	159	23 228	8 458	65 125	4 966	38	2 516	10 889						31	
Expected cash collection rate (%)																
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-						-	-
Rebates, exemptions - pensioners (R'000)																
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)																
Phase-in reductions/discounts (R'000)																
Total rebates, exemptions, reductions, discounts (R'000)																

MP324 Nkomazi - Supporting Table SA12b Property rates by category (budget year)

Description	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monum/ts	Public benefit organs.	Mining Props.
Budget Year 2016/17																
Valuation:																
No. of properties	3 644	5	500	632	323	295	153	138	8 298						1	1
No. of sectional title property values	-	-	-	-	-	-	-	-	-						-	-
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-						-	-
No. of supplementary valuations	-	-	-	-	-	-	-	-	-						-	-
Supplementary valuation (Rm)	-	-	-	-	-	-	-	-	-						-	-
No. of valuation roll amendments	-	-	-	-	-	-	-	-	-						-	-
No. of objections by rate-payers	-	-	-	-	-	-	-	-	-						-	-
No. of appeals by rate-payers	-	-	-	-	-	-	-	-	-						-	-
No. of appeals by rate-payers finalised	-	-	-	-	-	-	-	-	-						-	-
No. of successful objections	-	-	-	-	-	-	-	-	-						-	-
No. of successful objections > 10%	-	-	-	-	-	-	-	-	-						-	-
Estimated no. of properties not valued	-	-	-	-	-	-	-	-	-						-	-
Years since last valuation (select)	2	2	2	2	2	2	2	2	2						2	2
Frequency of valuation (select)	5	5	5	5	5	5	5	5	5						5	5
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market						Market	Market
Base of valuation (select)	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.	Land & impr.						Land & impr.	Land & impr.
Phasing-in properties s21 (number)	0	0	0	0	0	0	0	0	0						0	0
Combination of rating types used? (Y/N)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes						Yes	Yes
Flat rate used? (Y/N)	Yes	No	No	No	No	No	No	No	Yes						No	No
Is balance rated by uniform rate/variable rate?	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable						Variable	Variable
Valuation reductions:																
Valuation reductions-public infrastructure (Rm)																
Valuation reductions-nature reserves/park (Rm)																
Valuation reductions-mineral rights (Rm)																
Valuation reductions-R15,000 threshold (Rm)																
Valuation reductions-public worship (Rm)																
Valuation reductions-other (Rm)																
Total valuation reductions:																
Total value used for rating (Rm)	3 391	8	1 115	3 263	2 108	245	15	245	1 057						3	0
Total land value (Rm)																
Total value of improvements (Rm)																
Total market value (Rm)	3 391	8	1 115	3 263	2 108	245	15	245	1 057						3	0
Rating:																
Average rate	0.011000	0.028000	0.022000	0.028000	0.022000	0.022000	0.028000	0.011000	0.011000							0.033000
Rate revenue budget (R '000)																
Rate revenue expected to collect (R'000)	34 543	159	23 228	8 458	65 125	4 966	38	2 516	10 889						31	
Expected cash collection rate (%)																
Special rating areas (R'000)																
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-						-	-
Rebates, exemptions - pensioners (R'000)																
Rebates, exemptions - bona fide farm. (R'000)																
Rebates, exemptions - other (R'000)																
Phase-in reductions/discounts (R'000)																
Total rebates, exemptns, reductns, discs (R'000)																

MP324 Nkomazi - Supporting Table SA14 Household bills

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17 % incr.	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Rand/cent										
Monthly Account for Household - 'Middle Income Range'										
Rates and services charges:										
Property rates	355.94	513.75	544.58	588.14	588.14	588.14	6.0%	623.43	623.43	623.43
Electricity: Basic levy	100.00	110.00	118.13	132.54	132.54	132.54	8.0%	143.14	143.14	143.14
Electricity: Consumption	970.00	1 030.00	1 106.12	1 241.06	1 241.06	1 241.06	7.0%	1 327.94	1 327.94	1 327.94
Water: Basic levy	80.71	88.78	97.66	109.38	109.38	109.38	7.0%	117.03	117.03	117.03
Water: Consumption	123.30	135.60	149.16	167.06	167.06	167.06	7.0%	178.75	178.75	178.75
Sanitation	129.53	142.48	156.73	175.54	175.54	175.54	7.0%	187.82	187.82	187.82
Refuse removal	80.16	88.18	97.00	108.64	108.64	108.64	10.0%	119.50	119.50	119.50
Other										
sub-total	1 839.64	2 108.79	2 269.37	2 522.35	2 522.35	2 522.35	6.9%	2 697.62	2 697.62	2 697.62
VAT on Services	207.72	223.31	241.47	270.79	270.79	270.79		290.39	290.39	290.39
Total large household bill:	2 047.36	2 332.10	2 510.84	2 793.14	2 793.14	2 793.14	7.0%	2 988.01	2 988.01	2 988.01
% increase/-decrease		13.9%	7.7%	11.2%	-	-	7.0%	-	-	-
Monthly Account for Household - 'Affordable Range'										
Rates and services charges:										
Property rates	249.69	363.75	385.58	416.42	416.42	416.42	6.0%	441.41	623.43	623.43
Electricity: Basic levy	100.00	110.00	118.13	132.54	132.54	132.54	8.0%	143.14	143.14	143.14
Electricity: Consumption	485.00	515.00	553.06	620.53	620.53	620.53	7.0%	663.97	1 327.94	1 327.94
Water: Basic levy	80.71	88.78	97.66	109.38	109.38	109.38	7.0%	117.03	117.03	117.03
Water: Consumption	102.75	113.00	124.30	139.22	139.22	139.22	7.0%	148.96	178.75	178.75
Sanitation	129.53	142.48	156.73	175.54	175.54	175.54	7.0%	187.82	187.82	187.82
Refuse removal	39.71	43.68	48.05	53.81	53.81	53.81	10.0%	59.20	119.50	119.50
Other										
sub-total	1 187.39	1 376.69	1 483.50	1 647.44	1 647.44	1 647.44	6.9%	1 761.53	2 697.62	2 697.62
VAT on Services	131.28	141.81	153.71	172.34	172.34	172.34		184.82	290.39	290.39
Total small household bill:	1 318.67	1 518.50	1 637.21	1 819.78	1 819.78	1 819.78	7.0%	1 946.35	2 988.01	2 988.01
% increase/-decrease		15.2%	7.8%	11.2%	-	-	7.0%	53.5%	-	-
Monthly Account for Household - 'Indigent' Household receiving free basic services										
Rates and services charges:										
Property rates										
Electricity: Basic levy								-	-	-
Electricity: Consumption							#NAME?	70.97	76.65	82.78
Water: Basic levy								-	-	-
Water: Consumption	-						#NAME?	107.31	114.82	122.86
Sanitation							#NAME?	85.24	91.21	97.59
Refuse removal							#NAME?	71.45	78.60	86.45
Other								-		
sub-total	-	-	-	-	-	-	-	334.97	361.27	389.68
VAT on Services										
Total small household bill:	-	-	-	-	-	-	-	334.97	361.27	389.68
% increase/-decrease		-	-	-	-	-	-	-	7.9%	7.9%

MP324 Nkomazi - Supporting Table SA15 Investment particulars by type

Investment type	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Parent municipality									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	5 000	5 000					5 000	5 000	5 000
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Municipal Bonds									
Municipality sub-total	5 000	5 000	-	-	-	-	5 000	5 000	5 000
Entities									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank									
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)									
Repurchase Agreements - Banks									
Entities sub-total	-	-	-	-	-	-	-	-	-
Consolidated total:	5 000	5 000	-	-	-	-	5 000	5 000	5 000

MP324 Nkomazi - Supporting Table SA17 Borrowing

Borrowing - Categorised by type R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Parent municipality									
Long-Term Loans (annuity/reducing balance)	3 117	2 722	2 212	1 448	1 730	1 730	1 439	885	-
Long-Term Loans (non-annuity)			212						
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Operating Leases	-								
Other Securities									
Municipality sub-total	3 117	2 722	2 423	1 448	1 730	1 730	1 439	885	-
Entities									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Total Borrowing	3 117	2 722	2 423	1 448	1 730	1 730	1 439	885	-

Unspent Borrowing - Categorised by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	-	-	-	-	-	-	-	-	-
Entities									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	-	-	-	-	-	-	-	-	-

MP324 Nkomazi - Supporting Table SA18 Transfers and grant receipts

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	274 283	313 623	352 700	435 375	435 375	435 375	460 207	501 202	542 022
Local Government Equitable Share	259 653	290 822	339 878	423 037	423 037	423 037	447 689	494 138	534 377
Finance Management	1 500	1 550	1 600	1 600	1 600	1 600	1 625	1 700	1 955
Municipal Systems Improvement	800	890	934	930	930	930	-	-	-
Water Services Operating Subsidy	2 954	8 768					-	-	-
EPWP Incentive	6 245	7 536	5 451	4 762	4 762	4 762	5 917	-	-
Disaster Relief Grant									
MIG-PMU Operational	3 131	4 058	4 837	5 046	5 046	5 046	4 976	5 364	5 690
Provincial Government:	-	-	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	504	-	840	1 376	1 376	1 376	-	-	-
LGSETA Learnership grant	85								
HIV Grant (IOM)	419		840	1 376	1 376	1 376			
Total Operating Transfers and Grants	274 787	313 623	353 539	436 751	436 751	436 751	460 207	501 202	542 022
Capital Transfers and Grants									
National Government:	142 972	169 433	288 048	382 574	387 347	387 347	324 571	367 807	369 035
Municipal Infrastructure Grant (MIG)	127 048	137 004	240 454	214 334	216 640	216 640	211 379	227 875	241 695
Integrated National Electrification Programme	15 924	19 000	9 000	10 000	12 306	12 306	9 000	10 000	15 000
Municipal Water Infrastructure Grant		9 167	-	118 740	118 740	118 740	-	-	-
EPWP incentive							-	-	-
Finance Mmanagement Grant							-	-	-
Water Services Operating Subsidy			12 000	15 000	15 000	15 000	-	-	-
Rural Household Infrastructure Grant		4 261	4 500	4 500	4 661	4 661	-	-	-
Municipal Disaster Recovery Grant			22 093	20 000	20 000	20 000	20 000	-	-
Water Services Infrastructure Grant							84 192	129 932	112 340
Provincial Government:	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	-	-	-	-	-	-	-	-	-
LGSETA Learnership gra									
Total Capital Transfers and Grants	142 972	169 433	288 048	382 574	387 347	387 347	324 571	367 807	369 035
TOTAL RECEIPTS OF TRANSFERS & GRANTS	417 759	483 056	641 587	819 325	824 097	824 097	784 778	869 009	911 057

MP324 Nkomazi - Supporting Table SA19 Expenditure on transfers and grant programme

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	274 283	311 857	352 700	435 375	435 375	435 375	460 207	501 202	542 022
Local Government Equitable Share	259 653	290 822	339 878	423 037	423 037	423 037	447 689	494 138	534 377
Finance Management	1 500	1 550	1 600	1 600	1 600	1 600	1 625	1 700	1 955
Municipal Systems Improvement	800	890	934	930	930	930	-	-	-
Water Services Operating Subsidy	2 954	8 493					-	-	-
EPWP Incentive	6 245	6 044	5 451	4 762	4 762	4 762	5 917	-	-
Disaster Relief Grant									
MIG-PMU Operational	3 131	4 058	4 837	5 046	5 046	5 046	4 976	5 364	5 690
Provincial Government:	-	-	-	-	-	-	-	-	-
0									
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	504	805	840	1 376	1 376	1 376	-	-	-
LGSETA Learnership grant	85								
HIV Grant	419	805	840	1 376	1 376	1 376			
Total operating expenditure of Transfers and Grants	274 787	312 661	353 539	436 751	436 751	436 751	460 207	501 202	542 022
Capital expenditure of Transfers and Grants									
National Government:	142 972	171 742	294 964	382 574	387 347	387 347	324 571	367 807	369 035
Municipal Infrastructure Grant (MIG)	127 048	127 363	240 454	214 334	216 640	216 640	211 379	227 875	241 695
Integrated National Electrification Programme	15 924	20 000	8 394	10 000	12 306	12 306	9 000	10 000	15 000
Municipal Water Infrastructure Grant		19 879	7 522	118 740	118 740	118 740	-	-	-
EPWP incentive		-			-	-	-	-	-
Finance Management Grant					-	-	-	-	-
Water Services Operating Subsidy		-	12 000	15 000	15 000	15 000	-	-	-
Rural Household Infrastructure Grant			4 501	4 500	4 661	4 661	-	-	-
Municipal Disaster Recovery Grant		4 500	22 093	20 000	20 000	20 000	20 000	-	-
Water Services Infrastructure Grant							84 192	129 932	112 340
Provincial Government:	-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]									
District Municipality:	-	-	-	-	-	-	-	-	-
Disaster Relief Grant									
Other grant providers:	-	-	-	-	-	-	-	-	-
LGSETA Learnership grant									
Total capital expenditure of Transfers and Grants	142 972	171 742	294 964	382 574	387 347	387 347	324 571	367 807	369 035
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	417 759	484 404	648 504	819 325	824 097	824 097	784 778	869 009	911 057

MP324 Nkomazi - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand									
Operating transfers and grants:									
National Government:									
Balance unspent at beginning of the year									
Current year receipts	280 315	364 477	352 700	435 375	435 375	435 375	460 207	501 202	542 022
Conditions met - transferred to revenue	274 283	364 477	352 700	435 375	435 375	435 375	460 207	501 202	542 022
Conditions still to be met - transferred to liabilities	6 031								
Provincial Government:									
Balance unspent at beginning of the year									
Current year receipts				1 376	1 376	1 376			
Conditions met - transferred to revenue	-	-	-	1 376	1 376	1 376	-	-	-
Conditions still to be met - transferred to liabilities									
District Municipality:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year									
Current year receipts	504								
Conditions met - transferred to revenue	504	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Total operating transfers and grants revenue	274 787	364 477	352 700	436 751	436 751	436 751	460 207	501 202	542 022
Total operating transfers and grants - CTBM	6 031	-	-	-	-	-	-	-	-
Capital transfers and grants:									
National Government:									
Balance unspent at beginning of the year	7 727				2 386	2 386			
Current year receipts	145 586	169 433	288 048	382 574	382 574	382 574	324 571	367 807	369 035
Conditions met - transferred to revenue	142 972	169 433	288 048	382 574	384 960	384 960	324 571	367 807	369 035
Conditions still to be met - transferred to liabilities	10 340								
Provincial Government:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
District Municipality:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Other grant providers:									
Balance unspent at beginning of the year									
Current year receipts									
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities									
Total capital transfers and grants revenue	142 972	169 433	288 048	382 574	384 960	384 960	324 571	367 807	369 035
Total capital transfers and grants - CTBM	10 340	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE	417 759	533 911	640 747	819 325	821 711	821 711	784 778	869 009	911 057
TOTAL TRANSFERS AND GRANTS - CTBM	16 372	-	-	-	-	-	-	-	-

MP324 Nkomazi - Supporting Table SA21 Transfers and grants made by the municipality

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<u>Cash Transfers to other municipalities</u>										
Total Cash Transfers To Municipalities:	-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u> 0	97	41	231	223	288	288	288	235	248	263
Total Cash Transfers To Entities/Ems'	97	41	231	223	288	288	288	235	248	263
<u>Cash Transfers to other Organs of State</u> 0										
Total Cash Transfers To Other Organs Of State:	-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u> 0										
Total Cash Transfers To Organisations	-	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Groups of Individuals</u> 0										
Total Cash Transfers To Groups Of Individuals:	-	-	-	-	-	-	-	-	-	-
TOTAL CASH TRANSFERS AND GRANTS	97	41	231	223	288	288	288	235	248	263
<u>Non-Cash Transfers to other municipalities</u> <i>Insert description</i>										
Total Non-Cash Transfers To Municipalities:	-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Entities/Other External Mechanisms</u> 0										
Total Non-Cash Transfers To Entities/Ems'	-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other Organs of State</u> 0										
Total Non-Cash Transfers To Other Organs Of State:	-	-	-	-	-	-	-	-	-	-
<u>Non-Cash Grants to Organisations</u> 0										
Total Non-Cash Grants To Organisations	-	-	-	-	-	-	-	-	-	-
<u>Groups of Individuals</u> 0										
Total Non-Cash Grants To Groups Of Individuals:	-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS	-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	97	41	231	223	288	288	288	235	248	263

MP324 Nkomazi - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	10 212	11 091	11 995	12 671	12 671	12 671	14 267	15 237	16 273
Pension and UIF Contributions	1 496	1 664	1 720	1 894	1 894	1 894	2 136	2 281	2 436
Medical Aid Contributions	361	454	517	560	560	560	627	669	715
Motor Vehicle Allowance	3 869	4 567	4 705	5 136	5 136	5 136	5 741	6 131	6 548
Cellphone Allowance	853	1 357	1 353	1 429	1 429	1 429	1 529	1 633	1 744
Housing Allowances	—	—	—	—	—	—	—	—	—
Other benefits and allowances	1	4	—	—	—	—	—	—	—
Sub Total - Councillors	16 792	19 137	20 289	21 690	21 690	21 690	24 299	25 951	27 716
% increase		14.0%	6.0%	6.9%	—	—	12.0%	6.8%	6.8%
Senior Managers of the Municipality									
Basic Salaries and Wages	3 889	4 762	4 378	4 794	4 794	4 794	5 530	5 894	6 282
Pension and UIF Contributions	714	978	956	1 065	1 065	1 065	1 134	1 208	1 288
Medical Aid Contributions	74	88	110	115	115	115	141	150	160
Overtime	—	—	—	—	—	—	—	—	—
Performance Bonus	69	—	—	399	399	399	461	491	524
Motor Vehicle Allowance	882	695	673	795	795	795	815	869	926
Cellphone Allowance	34	—	—	—	—	—	51	55	58
Housing Allowances	—	—	—	—	—	—	—	—	—
Other benefits and allowances	13	52	49	72	72	72	1	1	1
Payments in lieu of leave	144	—	193	—	—	—	—	—	—
Long service awards	889	—	—	—	—	—	—	—	—
Post-retirement benefit obligations	—	—	—	—	—	—	—	—	—
Sub Total - Senior Managers of Municipality	6 708	6 574	6 359	7 241	7 241	7 241	8 133	8 668	9 238
% increase		(2.0%)	(3.3%)	13.9%	—	—	12.3%	6.6%	6.6%
Other Municipal Staff									
Basic Salaries and Wages	109 739	139 592	152 347	152 654	153 127	153 127	175 912	187 828	200 686
Pension and UIF Contributions	24 393	29 966	30 903	32 989	33 040	33 040	37 559	40 115	42 875
Medical Aid Contributions	6 797	7 579	13 676	9 590	9 590	9 590	12 092	12 914	13 806
Overtime	20 323	20 306	28 305	13 706	16 568	16 568	16 489	17 611	18 823
Performance Bonus	9 217	10 495	11 519	12 288	12 288	12 288	14 229	15 197	16 243
Motor Vehicle Allowance	8 439	8 872	9 624	10 567	10 567	10 567	12 801	13 673	14 618
Cellphone Allowance	1 135	1 242	1 560	1 718	1 718	1 718	1 962	2 096	2 243
Housing Allowances	1 101	1 107	1 146	1 215	1 215	1 215	1 244	1 329	1 419
Other benefits and allowances	10 879	7 147	2 084	2 421	2 421	2 421	2 741	2 925	3 124
Payments in lieu of leave	1 157	9 831	2 167	1 581	1 581	1 581	1 692	1 807	1 930
Long service awards	—	—	3 430	517	517	517	2 451	2 589	2 766
Post-retirement benefit obligations	185	219	241	298	298	298	150	159	168
Sub Total - Other Municipal Staff	193 367	236 355	257 002	239 544	242 929	242 929	279 322	298 242	318 700
% increase		22.2%	8.7%	(6.8%)	1.4%	—	15.0%	6.8%	6.9%
Total Parent Municipality	216 867	262 066	283 650	268 475	271 861	271 861	311 754	332 861	355 654
		20.8%	8.2%	(5.3%)	1.3%	—	14.7%	6.8%	6.8%
TOTAL SALARY, ALLOWANCES & BENEFITS	216 867	262 066	283 650	268 475	271 861	271 861	311 754	332 861	355 654
% increase		20.8%	8.2%	(5.3%)	1.3%	—	14.7%	6.8%	6.8%
TOTAL MANAGERS AND STAFF	200 075	242 929	263 360	246 785	250 170	250 170	287 455	306 910	327 939

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors							
Speaker	1	507 642	76 146	177 150			760 939
Chief Whip	1	424 859	107 220	199 339			731 418
Executive Mayor	1	582 632	129 620	244 347			956 599
Deputy Executive Mayor	-	-	-	-			-
Executive Committee	5	2 198 794	484 570	955 092			3 638 456
Total for all other councillors	57	10 522 770	1 964 473	5 723 984			18 211 228
Total Councillors	65	14 236 697	2 762 030	7 299 912			24 298 639
Senior Managers of the Municipality							
Municipal Manager (MM)	1	1 048 600	232 570	214 726	87 383		1 583 279
Chief Finance Officer	1	704 173	222 988	685 680	70 417		1 683 259
Director Planning and Development	1	711 550	241 266	55 242	59 296		1 067 354
Director Corporate Services	1	711 550	158 419	144 427	59 296		1 073 692
Director Community Services	1	711 550	216 361	54 849	59 296		1 042 055
Director Infrastructure Development	1	704 173	222 988	685 680	70 417		1 683 259
List of each official with packages >= senior manager							
							-
							-
							-
							-
							-
							-
							-
							-
							-
Total Senior Managers of the Municipality	6	4 591 597	1 294 592	1 840 605	406 105		8 132 898

MP324 Nkomazi - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers				Current Year 2015/16			Budget Year 2016/17		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities	65		65	65		65	65		65
Councillors (Political Office Bearers plus Other Councillors)									
Board Members of municipal entities									
Municipal employees									
Municipal Manager and Senior Managers	6		6	6		6	6		6
Other Managers	30	28	1	30	28	1	30	29	1
Professionals	1 148	889	117	1 148	894	—	1 148	894	—
<i>Finance</i>	48	43		48	44	—	48	44	—
<i>Spatial/town planning</i>	35	25		35	25		35	25	
<i>Information Technology</i>	3	2	1	3	3	—	3	3	—
<i>Roads</i>	135	128		135	128		135	128	
<i>Electricity</i>	32	30		32	30		32	30	
<i>Water</i>	390	368		390	368		390	368	
<i>Sanitation</i>									
<i>Refuse</i>	155	145		155	145		155	145	
<i>Other</i>	350	148	116	350	151	—	350	210	—
Technicians	4	4	5	4	4	5	4	4	5
<i>Finance</i>			5			5			5
<i>Spatial/town planning</i>									
<i>Information Technology</i>									
<i>Roads</i>									
<i>Electricity</i>	1	1		1	1		1	1	
<i>Water</i>	2	2		2	2		2	2	
<i>Sanitation</i>	1	1		1	1		1	1	
<i>Refuse</i>									
<i>Other</i>									
Clerks (Clerical and administrative)	45	26		45	28		45	34	
Service and sales workers	—	—	—	—	—	—	—	—	—
Skilled agricultural and fishery workers	—	—	—	—	—	—	—	—	—
Craft and related trades	—	—	—	—	—	—	—	—	—
Plant and Machine Operators	—	—	—	—	—	—	—	—	—
Elementary Occupations	—	—	—	—	—	—	—	—	—
TOTAL PERSONNEL NUMBERS	1 233	947	129	1 233	954	12	1 233	1 020	12
% increase				—	0.7%	(90.7%)	—	6.9%	—
Total municipal employees headcount									
Finance personnel headcount									
Human Resources personnel headcount									

MP324 Nkomazi - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description R thousand	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue By Source															
Property rates	11 793	10 614	9 434	7 076	7 076	12 716	11 374	10 299	9 427	8 540	9 687	9 893	117 929	124 769	132 005
Property rates - penalties & collection charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	6 391	7 502	5 508	9 781	6 921	6 787	7 148	7 275	7 237	7 525	7 149	7 187	86 411	93 324	100 945
Service charges - water revenue	1 370	1 670	1 738	1 723	1 548	1 196	1 541	1 569	1 552	1 521	1 488	1 478	18 394	19 682	21 059
Service charges - sanitation revenue	383	382	383	383	379	381	382	382	382	382	381	382	4 581	4 902	5 245
Service charges - refuse revenue	606	594	605	604	583	601	599	598	598	597	596	598	7 180	7 898	8 688
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
Rental of facilities and equipment	5 000	202	174	293	201	245	686	300	316	340	348	370	8 475	9 069	9 703
Interest earned - external investments	-	-	-	-	-	-	-	-	-	-	-	4 310	4 310	4 612	4 935
Interest earned - outstanding debtors	410	410	410	410	410	410	410	410	410	410	410	410	4 921	5 265	5 634
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
Fines	284	503	458	584	421	627	479	512	513	523	512	528	5 944	6 360	6 805
Licences and permits	1	0	1	1	1	6	2	2	2	2	3	3	24	26	28
Agency services	1 569	1 412	1 015	2 473	1 412	1 099	942	1 255	1 569	628	1 255	1 064	15 694	16 792	17 968
Transfers recognised - operational	185 058	-	-	-	183 433	-	-	-	91 716	-	-	-	460 207	501 202	542 022
Other revenue	831	418	572	643	544	747	921	937	815	1 098	544	991	9 060	9 979	10 975
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue (excluding capital transfers and	213 697	23 707	20 298	23 970	202 928	24 816	24 484	23 538	114 539	21 567	22 373	27 213	743 130	803 879	866 011
Expenditure By Type															
Employee related costs	22 730	22 730	22 730	22 730	37 420	22 730	22 730	22 730	22 730	22 730	22 730	22 730	287 455	306 910	327 939
Remuneration of councillors	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	24 299	25 951	27 716
Debt impairment	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	1 578	18 936	20 034	21 196
Depreciation & asset impairment	5 756	5 756	5 756	5 756	5 756	5 756	5 756	5 756	5 756	5 756	5 756	5 756	69 068	73 074	77 312
Finance charges	39	39	39	39	39	39	39	39	39	39	39	39	469	496	525
Bulk purchases	7 337	7 337	7 337	7 337	7 337	7 337	7 337	7 337	7 337	7 337	7 337	7 337	88 048	95 063	102 638
Other materials	197	197	197	197	197	197	197	197	197	197	197	197	2 369	2 506	2 652
Contracted services	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	33 221	35 148	37 187
Transfers and grants	-	-	-	-	-	-	235	-	-	-	-	-	235	248	263
Other expenditure	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	185 845	194 193	205 448
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure	57 918	57 918	57 918	57 918	72 608	57 918	58 153	57 918	57 918	57 918	57 918	57 918	709 944	753 625	802 875
Surplus/(Deficit)	155 778	(34 211)	(37 621)	(33 948)	130 320	(33 102)	(33 669)	(34 380)	56 621	(36 352)	(35 545)	(30 705)	33 185	50 254	63 136
Transfers recognised - capital	129 828	-	-	-	129 828	-	-	-	64 914	-	-	-	324 571	367 807	369 035
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171

MP324 Nkomazi - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Revenue by Vote															
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	2 367	–	–	–	2 367	–	–	–	1 183	–	–	–	5 917	–	–
Vote 2 - Vote 2 - BUDGET & TREASURY OFFIC	82 177	11 175	10 051	7 718	75 731	13 397	12 117	11 047	44 156	9 347	10 294	14 971	302 180	327 905	351 942
Vote 3 - Vote 3 - CORPORATE SERVICES	5 031	218	195	317	221	273	720	335	347	381	368	407	8 813	9 430	10 091
Vote 4 - PLANNING AND DEVELOPMENT	259	130	178	201	170	239	288	293	256	344	172	311	2 840	3 039	3 252
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERV	26 382	2 630	2 243	3 846	26 256	2 542	2 286	2 636	14 758	2 065	2 521	2 476	90 640	99 198	107 126
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVEL	227 309	9 554	7 631	11 888	228 012	8 365	9 073	9 227	118 754	9 430	9 019	9 048	657 310	732 112	762 636
Vote 7 -													–	–	–
Total Revenue by Vote	343 525	23 707	20 298	23 970	332 757	24 816	24 484	23 538	179 453	21 567	22 373	27 213	1 067 701	1 171 685	1 235 047
Expenditure by Vote to be appropriated															
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	4 814	4 814	4 814	4 814	5 509	4 814	4 814	4 814	4 814	4 814	4 814	4 814	58 462	62 236	66 254
Vote 2 - Vote 2 - BUDGET & TREASURY OFFIC	10 036	10 036	10 036	10 036	11 470	10 036	10 036	10 036	10 036	10 036	10 036	10 036	121 871	129 197	136 965
Vote 3 - Vote 3 - CORPORATE SERVICES	3 741	3 741	3 741	3 741	4 981	3 741	3 975	3 741	3 741	3 741	3 741	3 741	46 363	49 298	52 420
Vote 4 - PLANNING AND DEVELOPMENT	2 432	2 432	2 432	2 432	3 213	2 432	2 432	2 432	2 432	2 432	2 432	2 432	29 961	31 847	33 852
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERV	11 497	11 497	11 497	11 497	15 944	11 497	11 497	11 497	11 497	11 497	11 497	11 497	142 414	149 001	158 569
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVEL	25 399	25 399	25 399	25 399	31 491	25 399	25 399	25 399	25 399	25 399	25 399	25 399	310 875	332 046	354 814
Vote 7 -													–	–	–
Total Expenditure by Vote	57 918	57 918	57 918	57 918	72 608	57 918	58 153	57 918	57 918	57 918	57 918	57 918	709 944	753 625	802 875
Surplus/(Deficit) before assoc.	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171
Taxation													–	–	–
Attributable to minorities													–	–	–
Share of surplus/ (deficit) of associate													–	–	–
Surplus/(Deficit)	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171

MP324 Nkomazi - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand															
Revenue - Standard															
Governance and administration	89 575	11 392	10 246	8 035	78 319	13 669	12 837	11 382	45 686	9 728	10 662	15 378	316 910	337 335	362 033
Executive and council	2 367	—	—	—	2 367	—	—	—	1 183	—	—	—	5 917	—	—
Budget and treasury office	82 177	11 175	10 051	7 718	75 731	13 397	12 117	11 047	44 156	9 347	10 294	14 971	302 180	327 905	351 942
Corporate services	5 031	218	195	317	221	273	720	335	347	381	368	407	8 813	9 430	10 091
Community and public safety	302	512	471	598	433	643	500	533	532	547	525	550	6 145	6 575	7 035
Community and social services	12	6	8	9	8	11	13	14	12	16	8	14	131	140	150
Sport and recreation	5	3	4	4	4	5	6	6	5	7	4	6	59	63	67
Public safety	285	503	459	585	421	628	481	513	514	524	513	529	5 955	6 372	6 818
Housing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services	4 042	1 655	1 346	2 846	3 718	1 538	1 477	1 799	3 039	1 266	1 573	1 640	25 938	27 794	29 689
Planning and development	2 250	130	178	201	2 160	239	288	293	1 251	344	172	311	7 817	8 404	8 942
Road transport	1 570	1 413	1 015	2 473	1 413	1 100	943	1 257	1 570	629	1 256	1 065	15 706	16 805	17 981
Environmental protection	221	111	152	171	145	199	246	250	217	293	145	264	2 416	2 585	2 766
Trading services	249 606	10 148	8 235	12 491	250 287	8 966	9 670	9 824	130 197	10 025	9 614	9 645	718 708	799 981	836 290
Electricity	33 514	7 502	5 508	9 781	34 044	6 787	7 148	7 275	20 798	7 525	7 149	7 187	154 219	168 233	186 140
Water	191 420	1 670	1 738	1 723	191 598	1 196	1 541	1 570	96 578	1 522	1 488	1 474	493 518	553 595	565 543
Waste water management	383	382	383	383	379	381	382	382	382	382	381	386	4 585	4 906	5 249
Waste management	24 289	594	605	604	24 265	601	599	598	12 439	597	596	598	66 386	73 246	79 358
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	343 525	23 707	20 298	23 970	332 757	24 816	24 484	23 538	179 453	21 567	22 373	27 213	1 067 701	1 171 685	1 235 047
Expenditure - Standard															
Governance and administration	18 591	18 591	18 591	18 591	21 960	18 591	18 826	18 591	18 591	18 591	18 591	18 591	226 696	240 731	255 640
Executive and council	4 814	4 814	4 814	4 814	5 509	4 814	4 814	4 814	4 814	4 814	4 814	4 814	58 462	62 236	66 254
Budget and treasury office	10 036	10 036	10 036	10 036	11 470	10 036	10 036	10 036	10 036	10 036	10 036	10 036	121 871	129 197	136 965
Corporate services	3 741	3 741	3 741	3 741	4 981	3 741	3 975	3 741	3 741	3 741	3 741	3 741	46 363	49 298	52 420
Community and public safety	4 638	4 638	4 638	4 638	5 950	4 638	4 638	4 638	4 638	4 638	4 638	4 638	56 972	60 546	64 346
Community and social services	587	587	587	587	961	587	587	587	587	587	587	587	7 420	7 918	8 449
Sport and recreation	21	21	21	21	21	21	21	21	21	21	21	21	250	265	280
Public safety	4 030	4 030	4 030	4 030	4 969	4 030	4 030	4 030	4 030	4 030	4 030	4 030	49 301	52 363	55 617
Housing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Economic and environmental services	11 006	11 006	11 006	11 006	15 616	11 006	11 006	11 006	11 006	11 006	11 006	11 006	136 678	143 448	152 700
Planning and development	5 384	5 384	5 384	5 384	7 463	5 384	5 384	5 384	5 384	5 384	5 384	5 384	66 685	71 036	75 579
Road transport	4 730	4 730	4 730	4 730	6 839	4 730	4 730	4 730	4 730	4 730	4 730	4 730	58 870	62 676	66 730
Environmental protection	892	892	892	892	1 313	892	892	892	892	892	892	892	11 122	9 736	10 390
Trading services	23 683	23 683	23 683	23 683	29 082	23 683	23 683	23 683	23 683	23 683	23 683	23 683	289 599	308 900	330 190
Electricity	9 555	9 555	9 555	9 555	10 141	9 555	9 555	9 555	9 555	9 555	9 555	9 555	115 249	123 959	133 559
Water	10 680	10 680	10 680	10 680	14 101	10 680	10 680	10 680	10 680	10 680	10 680	10 680	131 577	139 847	148 641
Waste water management	357	357	357	357	411	357	357	357	357	357	357	357	4 339	4 601	4 878
Waste management	3 091	3 091	3 091	3 091	4 428	3 091	3 091	3 091	3 091	3 091	3 091	3 091	38 434	40 493	43 113
Other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Expenditure - Standard	57 918	57 918	57 918	57 918	72 608	57 918	58 153	57 918	57 918	57 918	57 918	57 918	709 944	753 625	802 875
Surplus/(Deficit) before assoc.	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	285 607	(34 211)	(37 621)	(33 948)	260 149	(33 102)	(33 669)	(34 380)	121 535	(36 352)	(35 545)	(30 705)	357 756	418 060	432 171

MP324 Nkomazi - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

Description R thousand	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Multi-year expenditure to be appropriated															
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 3 - Vote 3 - CORPORATE SERVICES	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 4 - PLANNING AND DEVELOPMENT	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	2 622	2 622	2 622	2 622	2 622	2 622	2 622	2 622	2 622	2 622	2 622	2 622	31 466	33 921	55 000
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	21 765	21 765	21 765	21 765	21 765	21 765	21 765	21 765	21 765	21 765	21 765	21 765	261 185	273 206	299 035
												–	–	–	–
Capital multi-year expenditure sub-total	24 388	24 388	24 388	24 388	24 388	24 388	24 388	24 388	24 388	24 388	24 388	24 388	292 652	307 128	354 035
Single-year expenditure to be appropriated															
Vote 1 - Vote 1 - EXECUTIVE & COUNCIL	83	83	83	83	83	83	83	83	83	83	83	83	1 000	–	–
Vote 2 - Vote 2 - BUDGET & TREASURY OFFICE	18	18	18	18	18	18	18	18	18	18	18	18	210	–	–
Vote 3 - Vote 3 - CORPORATE SERVICES	284	284	284	284	284	284	284	284	284	284	284	284	3 406	–	–
Vote 4 - PLANNING AND DEVELOPMENT	389	389	389	389	389	389	389	389	389	389	389	389	4 665	–	–
Vote 5 - Vote 5 - COMMUNITY & SOCIAL SERVICES	754	754	754	754	754	754	754	754	754	754	754	754	9 043	–	–
Vote 6 - Vote 6 - INFRASTRUCTURE & DEVELOPMENT	3 619	3 619	3 619	3 619	3 619	3 619	3 619	3 619	3 619	3 619	3 619	3 619	43 429	67 594	21 960
												–	–	–	–
Capital single-year expenditure sub-total	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	5 146	61 753	67 594	21 960
Total Capital Expenditure	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995

MP324 Nkomazi - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard															
Governance and administration	385	385	385	385	385	385	385	385	385	385	385	385	4 616	-	-
Executive and council	83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Budget and treasury office	18	18	18	18	18	18	18	18	18	18	18	18	210	-	-
Corporate services	284	284	284	284	284	284	284	284	284	284	284	284	3 406	-	-
Community and public safety	233	233	233	233	233	233	233	233	233	233	233	233	2 800	-	-
Community and social services													-	-	-
Sport and recreation													-	-	-
Public safety	233	233	233	233	233	233	233	233	233	233	233	233	2 800	-	-
Housing													-	-	-
Health													-	-	-
Economic and environmental services	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	86 180	90 027	118 395
Planning and development	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	32 274	24 821	35 000
Road transport	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	52 825	65 205	83 395
Environmental protection	90	90	90	90	90	90	90	90	90	90	90	90	1 080	-	-
Trading services	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	260 809	284 695	257 600
Electricity	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	18 615	16 300	21 500
Water	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	204 494	219 295	166 100
Waste water management	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	30 800	40 000	50 000
Waste management	575	575	575	575	575	575	575	575	575	575	575	575	6 900	9 100	20 000
Other													-	-	-
Total Capital Expenditure - Standard	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995
Funded by:															
National Government	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	324 571	367 807	369 035
Provincial Government													-	-	-
District Municipality													-	-	-
Other transfers and grants													-	-	-
Transfers recognised - capital	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	324 571	367 807	369 035
Public contributions & donations													-	-	-
Borrowing													-	-	-
Internally generated funds	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	29 834	6 915	6 960
Total Capital Funding	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995

MP324 Nkomazi - Supporting Table SA30 Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Cash Receipts By Source														1		
Property rates	6 461	5 815	5 168	3 876	3 876	6 967	6 231	5 642	5 164	4 679	5 307	5 420	64 606	68 353	72 318	
Property rates - penalties & collection charges	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Service charges - electricity revenue	6 171	7 244	5 319	9 444	6 682	6 553	6 902	7 024	6 987	7 266	6 902	6 939	83 434	90 109	97 467	
Service charges - water revenue	1 219	1 485	1 546	1 533	1 377	1 064	1 371	1 396	1 381	1 354	1 324	1 315	16 364	17 510	18 736	
Service charges - sanitation revenue	358	357	358	358	355	357	357	357	357	357	357	357	4 287	4 587	4 908	
Service charges - refuse revenue	488	479	487	486	470	484	482	481	482	481	480	482	5 782	6 361	6 997	
Service charges - other	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Rental of facilities and equipment	4 027	163	140	236	162	197	552	242	255	274	280	298	6 826	7 304	7 815	
Interest earned - external investments	—	—	—	—	—	—	—	—	—	—	—	3 308	3 308	3 540	3 787	
Interest earned - outstanding debtors	315	315	315	315	315	315	315	315	315	315	315	315	3 777	4 041	4 324	
Dividends received	—	—	—	—	—	—	—	—	—	—	—	—	—	0	0	
Fines	218	386	351	448	323	481	368	393	394	401	393	405	4 562	4 881	5 223	
Licences and permits	1	0	1	1	1	5	1	1	2	2	2	2	18	20	21	
Agency services	1 204	1 084	779	1 898	1 084	843	723	964	1 204	482	964	817	12 045	12 888	13 790	
Transfer receipts - operational	184 083	—	—	—	184 083	—	—	—	92 041	—	—	—	460 207	501 202	542 022	
Other revenue	638	321	439	493	417	574	707	719	626	843	417	760	6 953	7 659	8 423	
Cash Receipts by Source	205 182	17 648	14 903	19 089	199 145	17 839	18 010	17 534	109 209	16 452	16 741	20 418	672 170	728 453	785 830	
Other Cash Flows by Source																
Transfer receipts - capital	129 828	—	—	—	129 828	—	—	—	64 914	—	—	—	324 571	367 807	369 035	
Contributions recognised - capital & Contributed assets													—	—	—	
Proceeds on disposal of PPE													—	—	—	
Short term loans													—	—	—	
Borrowing long term/refinancing													—	—	—	
Increase (decrease) in consumer deposits													—	—	—	
Decrease (Increase) in non-current debtors													—	—	—	
Decrease (increase) other non-current receivables													—	—	—	
Decrease (increase) in non-current investments													—	—	—	
Total Cash Receipts by Source	335 011	17 648	14 903	19 089	328 973	17 839	18 010	17 534	174 123	16 452	16 741	20 418	996 740	1 096 260	1 154 865	
Cash Payments by Type																
Employee related costs	22 730	22 730	22 730	22 730	37 420	22 730	22 730	22 730	22 730	22 730	22 730	22 730	287 455	306 910	327 939	
Remuneration of councillors	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	2 025	24 299	25 951	27 716	
Finance charges	39	39	39	39	39	39	39	39	39	39	39	39	469	496	525	
Bulk purchases - Electricity	7 229	7 229	7 229	7 229	7 229	7 229	7 229	7 229	7 229	7 229	7 229	7 229	86 753	93 694	101 189	
Bulk purchases - Water & Sewer	108	108	108	108	108	108	108	108	108	108	108	108	1 295	1 370	1 449	
Other materials	197	197	197	197	197	197	197	197	197	197	197	197	2 369	2 506	2 652	
Contracted services	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	2 768	33 221	35 148	37 187	
Transfers and grants - other municipalities													—	—	—	
Transfers and grants - other							235						235	248	263	
Other expenditure	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	15 487	185 845	194 193	205 448	
Cash Payments by Type	50 585	50 585	50 585	50 585	65 274	50 585	50 819	50 585	50 585	50 585	50 585	50 585	621 941	660 517	704 367	
Other Cash Flows/Payments by Type																
Capital assets	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995	
Repayment of borrowing	73			73				73				73	291	482	885	
Other Cash Flows/Payments												—				
Total Cash Payments by Type	80 191	80 118	80 118	80 191	94 808	80 118	80 353	80 191	80 118	80 118	80 118	80 191	976 637	1 035 720	1 081 248	
NET INCREASE/(DECREASE) IN CASH HELD	254 819	(62 471)	(65 215)	(61 102)	234 165	(62 279)	(62 343)	(62 657)	94 005	(63 666)	(63 377)	(59 774)	20 103	60 539	73 618	
Cash/cash equivalents at the month/year begin:	54 877	309 696	247 225	182 010	120 908	355 073	292 794	230 450	167 793	261 797	198 131	134 754	54 877	74 980	135 519	
Cash/cash equivalents at the month/year end:	309 696	247 225	182 010	120 908	355 073	292 794	230 450	167 793	261 797	198 131	134 754	74 980	74 980	135 519	209 137	

MP324 Nkomazi - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description R thousand	Budget Year 2016/17												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital Expenditure - Standard															
Governance and administration	385	385	385	385	385	385	385	385	385	385	385	385	4 616	-	-
Executive and council	83	83	83	83	83	83	83	83	83	83	83	83	1 000	-	-
Budget and treasury office	18	18	18	18	18	18	18	18	18	18	18	18	210	-	-
Corporate services	284	284	284	284	284	284	284	284	284	284	284	284	3 406	-	-
Community and public safety	233	233	233	233	233	233	233	233	233	233	233	233	2 800	-	-
Community and social services													-	-	-
Sport and recreation													-	-	-
Public safety	233	233	233	233	233	233	233	233	233	233	233	233	2 800	-	-
Housing													-	-	-
Health													-	-	-
Economic and environmental services	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	7 182	86 180	90 027	118 395
Planning and development	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	2 690	32 274	24 821	35 000
Road transport	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	4 402	52 825	65 205	83 395
Environmental protection	90	90	90	90	90	90	90	90	90	90	90	90	1 080	-	-
Trading services	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	21 734	260 809	284 695	257 600
Electricity	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	1 551	18 615	16 300	21 500
Water	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	17 041	204 494	219 295	166 100
Waste water management	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	2 567	30 800	40 000	50 000
Waste management	575	575	575	575	575	575	575	575	575	575	575	575	6 900	9 100	20 000
Other													-	-	-
Total Capital Expenditure - Standard	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995
Funded by:															
National Government	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	324 571	367 807	369 035
Provincial Government													-	-	-
District Municipality													-	-	-
Other transfers and grants													-	-	-
Transfers recognised - capital	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	27 048	324 571	367 807	369 035
Public contributions & donations													-	-	-
Borrowing													-	-	-
Internally generated funds	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	29 834	6 915	6 960
Total Capital Funding	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	29 534	354 405	374 722	375 995

MP324 Nkomazi - Supporting Table SA34a Capital expenditure on new assets by asset class

Mr S24 Nkomaz - Supporting Table S24-1a Capital expenditure on new assets by asset class									
Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on new assets by Asset Class/Sub-class									
Infrastructure	38 476	40 358	136 750	179 305	170 864	170 864	173 461	224 125	195 918
Infrastructure - Road transport	10 017	11 267	25 182	31 125	56 000	56 000	52 165	65 145	82 995
Roads, Pavements & Bridges	10 017	11 267	25 182	31 125	56 000	56 000	52 165	65 145	82 995
Storm water									
Infrastructure - Electricity	18 817	16 598	9 028	12 800	15 106	15 106	6 500	4 700	4 900
Generation									
Transmission & Reticulation	18 817	16 598	9 028	12 500	14 806	14 806	6 500	4 700	4 900
Street Lighting				300	300	300			
Infrastructure - Water	9 642	12 494	101 610	108 880	97 959	97 959	103 996	137 180	78 023
Dams & Reservoirs			1 642	21 607	25 683	25 683	-	23 725	14 000
Water purification					-	-			
Reticulation	9 642	12 494	99 968	87 273	72 275	72 275	103 996	113 455	64 023
Infrastructure - Sanitation	-	-	-	24 500	-	-	10 800	17 100	30 000
Reticulation				24 500	-	-	10 800	17 100	30 000
Sewerage purification									
Infrastructure - Other	-	-	929	2 000	1 800	1 800	-	-	-
Waste Management			929	2 000	1 800	1 800	-	-	-
Transportation									
Gas									
Other									
Community	219	3 425	-	12 332	40 739	40 739	62 314	72 038	90 000
Parks & gardens					-	-			
Sportsfields & stadia				3 000	4 000	4 000	3 979	-	-
Swimming pools					-	-			
Community halls		3 425		9 332	12 000	12 000	19 255	22 038	25 000
Libraries					-	-			
Recreational facilities					-	-			
Fire, safety & emergency					-	-			
Security and policing					-	-			
Buses					-	-			
Clinics					-	-			
Museums & Art Galleries					-	-			
Cemeteries	219				-	-			
Social rental housing					-	-			
Other					24 739	24 739	39 080	50 000	65 000
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	-	-	-	-	-	-	-
Housing development									
Other									
Other assets	9 410	8 816	1 911	22 605	22 605	22 605	15 904	2 215	2 060
General vehicles	3 059	1 557		15 560	15 560	15 560	1 400		
Specialised vehicles	-	-	-	4 440	4 440	4 440	2 700	-	-
Plant & equipment	1 044	360	1 394	685	685	685	4 255	2 215	2 060
Computers - hardware/equipment	2 126	262	272	600	600	600	5 623		
Furniture and other office equipment	531	132	14	1 320	1 320	1 320	926	-	-
Abattoirs					-	-			
Markets					-	-			
Civic Land and Buildings					-	-			
Other Buildings	431	4 468	138		-	-	1 000	-	-
Other Land					-	-			
Surplus Assets - (Investment or Inventory)					-	-			
Other	2 218	2 038	93						
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class									
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class									
Intangibles	119	106	57	200	200	200	650	-	-
Computers - software & programming	119	106	57	200	200	200	650	-	-
Other (list sub-class)									
Total Capital Expenditure on new assets	48 224	52 706	138 718	214 442	234 408	234 408	252 329	298 378	287 978
Specialised vehicles	-	-	-	4 440	4 440	4 440	2 700	-	-
Refuse				2 440	2 440	2 440	1 500		
Fire				2 000	2 000	2 000	1 200	-	-
Conservancy									
Ambulances									

MP324 Nkomazi - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Capital expenditure on renewal of existing assets by Asset Class/Sub-class									
Infrastructure	77 352	123 111	90 985	188 784	163 816	163 816	74 943	73 560	78 017
Infrastructure - Road transport	495	28 098	394	-	-	-	-	-	-
Roads, Pavements & Bridges	495	28 098	394	-	-	-	-	-	-
Storm water	-	-	-	-	-	-	-	-	-
Infrastructure - Electricity	-	2 458	270	2 800	2 800	2 800	-	-	-
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	-	2 458	270	2 800	2 800	2 800	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	74 517	66 173	90 320	185 984	160 989	160 989	74 943	73 560	78 017
Dams & Reservoirs	-	-	-	6 000	6 000	6 000	-	10 000	-
Water purification	-	-	-	-	-	-	-	-	-
Reticulation	74 517	66 173	90 320	179 984	154 989	154 989	74 943	63 560	78 017
Infrastructure - Sanitation	423	3 439	-	-	-	-	-	-	-
Reticulation	423	3 439	-	-	-	-	-	-	-
Sewerage purification	-	-	-	-	-	-	-	-	-
Infrastructure - Other	1 918	22 943	-	-	26	26	-	-	-
Waste Management	1 918	22 943	-	-	26	26	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	6 243	7 465	1 854	7 753	15 300	15 300	23 232	2 783	10 000
Parks & gardens	2 008	7 465	1 854	7 753	15 300	15 300	3 232	-	-
Sportsfields & stadia	-	-	-	-	-	-	-	-	-
Swimming pools	4 236	-	-	-	-	-	-	2 783	10 000
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	-	-	-	-	-	20 000	-	-
Other	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Other assets	125	834	-	2 200	2 200	2 200	3 900	-	-
General vehicles	-	-	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoirs	-	834	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	125	-	-	2 200	2 200	2 200	3 900	-	-
Other	-	-	-	-	-	-	-	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on renewal of existing	83 721	131 409	92 839	198 737	181 316	181 316	102 075	76 343	88 017

MP324 Nkomazi - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Repairs and maintenance expenditure by Asset Class/Sub-class									
Infrastructure	21 171	3 961	11 413	17 469	15 059	15 059	22 565	23 873	25 258
Infrastructure - Road transport	2 291	–	736	3 018	3 018	3 018	4 000	4 232	4 477
Roads, Pavements & Bridges	2 291	–	736	3 018	3 018	3 018	4 000	4 232	4 477
Storm water	–	–	–	–	–	–	–	–	–
Infrastructure - Electricity	4 838	1 871	2 724	3 950	2 650	2 650	5 000	5 290	5 597
Generation	–	–	–	–	–	–	–	–	–
Transmission & Reticulation	4 838	1 871	2 724	3 950	2 650	2 650	5 000	5 290	5 597
Street Lighting	–	–	–	–	–	–	–	–	–
Infrastructure - Water	11 171	–	4 891	5 987	5 987	5 987	8 387	8 873	9 388
Dams & Reservoirs	–	–	–	–	–	–	–	–	–
Water purification	–	–	–	–	–	–	–	–	–
Reticulation	11 171	–	4 891	5 987	5 987	5 987	8 387	8 873	9 388
Infrastructure - Sanitation	1 886	–	1 378	2 263	2 263	2 263	2 868	3 034	3 210
Reticulation	1 886	–	1 378	2 263	2 263	2 263	2 868	3 034	3 210
Sewerage purification	–	–	–	–	–	–	–	–	–
Infrastructure - Other	986	2 090	1 683	2 252	1 142	1 142	2 310	2 444	2 586
Waste Management	986	–	1 683	2 252	1 142	1 142	2 310	2 444	2 586
Transportation	–	–	–	–	–	–	–	–	–
Gas	–	–	–	–	–	–	–	–	–
Other	–	2 090	–	–	–	–	–	–	–
Community	–	19	87	225	225	225	200	212	224
Parks & gardens	–	19	27	48	48	48	200	212	224
Sportsfields & stadia	–	–	–	–	–	–	–	–	–
Swimming pools	–	–	–	–	–	–	–	–	–
Community halls	–	–	61	177	177	177	–	–	–
Libraries	–	–	–	–	–	–	–	–	–
Recreational facilities	–	–	–	–	–	–	–	–	–
Fire, safety & emergency	–	–	–	–	–	–	–	–	–
Security and policing	–	–	–	–	–	–	–	–	–
Buses	–	–	–	–	–	–	–	–	–
Clinics	–	–	–	–	–	–	–	–	–
Museums & Art Galleries	–	–	–	–	–	–	–	–	–
Cemeteries	–	–	–	–	–	–	–	–	–
Social rental housing	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–	–	–	–
Buildings	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–	–	–	–
Housing development	–	–	–	–	–	–	–	–	–
Other	–	–	–	–	–	–	–	–	–
Other assets	1 511	9 999	12 357	4 219	4 481	4 481	7 664	8 109	8 579
General vehicles	854	9 595	11 146	3 435	3 647	3 647	5 096	5 392	5 704
Specialised vehicles	–	–	–	–	–	–	–	–	–
Plant & equipment	64	73	53	86	86	86	180	190	201
Computers - hardware/equipment	–	–	–	–	–	–	–	–	–
Furniture and other office equipment	52	46	6	22	22	22	388	411	435
Abattoirs	–	–	–	–	–	–	–	–	–
Markets	–	–	–	–	–	–	–	–	–
Civic Land and Buildings	–	–	–	–	–	–	–	–	–
Other Buildings	505	285	1 006	600	600	600	1 700	1 799	1 903
Other Land	–	–	–	–	–	–	–	–	–
Surplus Assets - (Investment or Inventory)	–	–	–	–	–	–	–	–	–
Other	36	–	147	75	125	125	300	317	336
Agricultural assets	–	–	–	–	–	–	–	–	–
List sub-class	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
List sub-class	–	–	–	–	–	–	–	–	–
Intangibles	–	–	–	–	–	–	–	–	–
Computers - software & programming	–	–	–	–	–	–	–	–	–
Other (list sub-class)	–	–	–	–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	22 682	13 978	23 858	21 914	19 766	19 766	30 429	32 194	34 061

MP324 Nkomazi - Supporting Table SA34d Depreciation by asset class

Description R thousand	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Depreciation by Asset Class/Sub-class									
Infrastructure	37 268	36 497	44 742	45 773	45 773	45 773	45 773	48 428	51 237
Infrastructure - Road transport	9 522	8 336	11 658	10 301	10 301	10 301	10 301	10 899	11 531
Roads, Pavements & Bridges	9 522	8 336	11 658	10 301	10 301	10 301	10 301	10 899	11 531
Storm water									
Infrastructure - Electricity	2 741	2 986	4 734	3 356	3 356	3 356	3 356	3 551	3 757
Generation									
Transmission & Reticulation	2 741	2 986	4 734	3 356	3 356	3 356	3 356	3 551	3 757
Street Lighting									
Infrastructure - Water	24 684	24 836	27 416	31 723	31 723	31 723	31 723	33 563	35 510
Dams & Reservoirs									
Water purification									
Reticulation	24 684	24 836	27 416	31 723	31 723	31 723	31 723	33 563	35 510
Infrastructure - Sanitation	198	201	342	243	243	243	243	257	272
Reticulation	198	201	342	243	243	243	243	257	272
Sewerage purification									
Infrastructure - Other	122	138	593	150	150	150	150	159	168
Waste Management	122	138	593	150	150	150	150	159	168
Transportation									
Gas									
Other									
Community	-	-	-	-	-	-	-	-	-
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls									
Libraries									
Recreational facilities									
Fire, safety & emergency									
Security and policing									
Buses									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings									
Other									
Investment properties	-	-	217	-	-	-	-	-	-
Housing development			217						
Other									
Other assets	14 782	17 692	16 616	22 101	22 101	22 101	23 295	24 646	26 075
General vehicles	3 907	3 406	2 235	4 784	4 784	4 784	5 042	5 334	5 644
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	3 094		2 229	3 788	3 788	3 788	3 992	4 224	4 469
Computers - hardware/equipment	1 836	1 458	831	2 248	2 248	2 248	2 369	2 507	2 652
Furniture and other office equipment	1 127	709	661	1 379	1 379	1 379	1 454	1 538	1 627
Abattoirs									
Markets									
Civic Land and Buildings									
Other Buildings	4 819	5 214	10 660	6 013	6 013	6 013	6 338	6 705	7 094
Other Land		6 906							
Surplus Assets - (Investment or Inventory)									
Other				3 890	3 890	3 890	4 100	4 338	4 589
Agricultural assets	-	-	-	-	-	-	-	-	-
List sub-class									
Biological assets	-	-	-	-	-	-	-	-	-
List sub-class									
Intangibles	-	80	91	-	-	-	-	-	-
Computers - software & programming		80	91						
Other (list sub-class)									
Total Depreciation	52 050	54 269	61 666	67 874	67 874	67 874	69 068	73 074	77 312

2.5 List of capital items

DETAILS	LOCATION	SOURCE OF FUNDING	2015/2016 ADJUSTMENT BUDGET	2016/2017 BUDGET	2017/2018 BUDGET	2018/2019 BUDGET
construction of bus route	nkungwini	MIG	22 000 000	14 096 294	-	
Community Hall	BLOCK A	MIG	-	-	2 783 040	10 000 000
Bus route 7.5km	Block B	MIG	-	-	2 783 040	15 000 000
Community Hall	Block B	MIG	5 000 000	9 541 134	9 541 134	
WATER RETICULATION (15(KM)	BLOCK B (NKANINI)	MIG	15 000 000	13 164 569	14 164 569	5 000 000
Community Hall	Block C	MIG	-	-	2 783 040	10 000 000
replacement of pipe ,uPVC to Steel pipe for 5km)	Block C	MIG	9 909 771	8 785 862	-	
Water reticulation	Block C	MIG	5 000 000	7 600 795	7 600 795	
community hall	Boschfontein	MIG	7 000 000	9 714 201	9 714 201	
bus route(6KM)	Boschfontein	MIG	6 000 000	13 248 728	25 040 550	
construction of bus route	Durban/ new village	MIG	-	6 000 000	16 152 236	16 152 236
Upgrading of reservoir and extention of reticulation	ERRICSVILLE , LUSAKA	WSIG	-	3 000 000	3 000 000	
Extention of reticulation and Construction of a resevoir	GOBA	WSIG	-	3 000 000	3 000 000	
Upgrading of the AC pipeline	Kamaqhekeza	MIG	6 000 000	10 674 566	10 674 566	
Extention of reticulation	KAZIBUKWANE	WSIG	-	-	6 136 000	8 000 000
TOURISM INFO CENTRE	KOMATIPOORT	REVENUE		3 700 000		
Upgrading of raw water, filters and clarifiers	KOMATIPOORT	WSIG	4 000 000	3 000 000	-	
Upgrading of Sewer Pump Station	KOMATIPOORT (TRANSNET)	REVENUE		800 000		
water reticulation 20km	Langelooop (ESIGAYWENI)	MIG	2 000 000	11 776 092	11 776 092	
water treatment plant (6 ML)	Louville	MIG	4 800 000	1 000 000	-	
construction of bus route	Mabundzeni	MIG	-	-	4 349 120	32 532 754
Reservoir	MABUNDZENI	WSIG	-	-	10 528 000	
Upgrade raw water pump station & WTW,Construct new bulk pipeline . Extend existing reticulation	Madadeni	MIG	-	-	-	15 635 503
Construction of new bulk pipeline, upgrading of raw water pump station and WTW and extention of reticulation	MADADENI	WSIG	-	3 895 000	5 000 000	
Extention of reticulation	MAGOGENI	WSIG	-	-	3 184 000	
Reservoir Upgrade	MAGOGENI	WSIG	-	-	10 528 000	
BUILDING PLAN SYSTEM	MALELANE	REVENUE		600 000		
TESTING GROUND REFURBISHMENT	MALELANE	REVENUE		2 000 000		
Construction of 2ML reservoir, upgrading and refurbishment of WTW	MALELANE	WSIG	6 000 000	6 000 000		
Gravity main	MALELANE	WSIG	3 000 000	3 000 000	-	
Rising main	MALELANE	WSIG	5 000 000	2 670 000	-	

DETAILS	LOCATION	SOURCE OF FUNDING	2015/2016 ADJUSTMENT BUDGET	2016/2017 BUDGET	2017/2018 BUDGET	2018/2019 BUDGET
upgrading Bulk Water supply	MANANGA	WSIG	-	-	1 250 000	
bulk water supply (3km of 315 mm UPVC bulk line)	Mandulo	MIG	4 800 000	7 534 645	7 534 645	
Upgrading of reservoir and WTW capacity and extension of reticulation	MANDULO (TIMBONDVENI)	WSIG	-	4 000 000	5 000 000	
Sports Facility	Mangweni	MIG	4 000 000	3 978 699	-	
Sanitation project	Mangweni	WSIG	-	5 000 000	8 000 000	10 000 000
Electrification	MARLOTH PARK	REVENUE		1 200 000	2 200 000	2 200 000
Upgrading of existing WTW and resevoir	MARLOTH PARK	WSIG	6 000 000	5 000 000	-	
Gravity main	MARLOTH PARK	WSIG	3 000 000	5 000 000	-	
Rising main	MARLOTH PARK	WSIG	4 401 864	1 500 000	-	
STRONG ROOM	MARLOTHPARK	REVENUE		1 000 000		
KUDU	MARLOTHPARK	REVENUE		80 000		
Extension of reticulation and Construction of a resevoir	MBANGWANE	WSIG	-	3 000 000	3 000 000	
Upgrading of stadium	mbuzini	MIG	8 000 000	3 232 408	-	
Gravity line	MBUZINI	WSIG	-	-	5 189 000	
Community hall 1000 seater	Mdladia	MIG	-	-	-	15 000 000
Refurbishment and upgrading of existing WTW	MJEJANE (HECTOSPRUIT)	WSIG	4 000 000	3 000 000	-	
Construction of package plant, rising main and reservoir and extension of reticulation	MKHWARUKHWARU	WSIG	-	1 500 000	1 500 000	
Extension of reticulation	MOTHEO WEST AND MZINTI	WSIG	-	-	4 304 000	6 340 000
HAWKERS STALLS	MZINTI, TONGA	REVENUE		200 000		
Water Reticulation (8 km)	Nhlabaville	MIG	2 000 000	13 989 659	15 183 301	5 682 523
DME ELECTRIFICATION PROJECTS	NKOMAZI AREA	INEG	12 305 648	9 000 000	10 000 000	15 000 000
Disaster Recovery projects	NKOMAZI AREA	MDRG	20 000 000	20 000 000	-	-
landfill site	NKOMAZI AREA	MIG	1 800 000	5 000 000	9 100 000	20 000 000
New villages sanitation projects	NKOMAZI AREA	MIG	10 000 000	15 000 000	20 000 000	25 000 000
Old villages sanitation projects	NKOMAZI AREA	MIG	10 000 000	15 000 000	20 000 000	25 000 000
Create streetlight infrastructure in rural/new towns	NKOMAZI AREA	REVENUE		500 000	550 000	550 000
Refurbishment project	NKOMAZI AREA	WSIG	-	12 000 000	15 000 000	20 000 000
Replacement of asbestos / AC pipelines to uPVC	NKOMAZI AREA	WSIG	-	10 000 000	15 000 000	20 000 000
Refurbishment of boreholes	NKOMAZI AREA	WSIG		6 708 000	5 000 000	10 000 000
8 LAPTOPS	NLM	REVENUE		160 000		
COMPUTER SOFTWARES	NLM	REVENUE		50 000		
NEW SERVERS	NLM	REVENUE		3 000 000		
STEEL CABINETS	NLM	REVENUE		400 000		
SHREDDER	NLM	REVENUE		6 000		
COMPUTER AND LAPTOPS, PROJECTOR	NLM	REVENUE		165 000		
FURNITURE FOR DIFFERENT SECTIONS	NLM	REVENUE		400 000		
LAPTOPS AND COMPUTER	NLM	REVENUE		263 000		
OFFICE EQUIPMENTS	NLM	REVENUE		10 000		
BOBCAT (3)	NLM	REVENUE		60 000		
LAWNMOWER (3)	NLM	REVENUE		270 000		
MINI TRUCK FIRE ENGINE	NLM	REVENUE		1 200 000		
PROLASER	NLM	REVENUE		200 000		
SKIPS (30)	NLM	REVENUE		400 000		
8TON TRUCK	NLM	REVENUE		1 500 000		
VEHICLE	NLM	REVENUE		200 000		
water reticulation (17 km)	Phakama (Block C)	MIG	2 000 000	9 738 219	9 738 219	
Gravity main	SCHOEMANSDAL NORTH	WSIG	-	-	10 000 000	
Reservoir Upgrade	SCHOEMANSDAL NORTH	WSIG	-	-	10 000 000	
Bus route	Schulzendaal B	MIG	12 000 000	16 820 452	16 820 452	
Extension of reticulation	SIKHWAHLANE	WSIG	-	-	1 144 000	10 000 000
Bus route 6km	Tonga	MIG	-	-	-	19 310 145
Rising main	TONGA B NORTH	WSIG	-	2 919 000	-	
New Reservoir 2.5 Ml/d	TONGA BLOCK C	WSIG	-	-	2 669 000	14 000 000
WTW	TONGA PHASE 1B (PHASE 2)	MIG	6 000 000	15 482 513	12 135 503	8 381 984

DETAILS	LOCATION	SOURCE OF FUNDING	2015/2016 ADJUSTMENT BUDGET	2016/2017 BUDGET	2017/2018 BUDGET	2018/2019 BUDGET
Upgrading of bulk pipeline and extension of reticulation	TONGA VILLAGE	WSIG	-	-	1 500 000	14 000 000
TRAFFIC LIGHTS	TONGA, NASS	REVENUE		1 400 000		
Construct new reservoir, bulk line, elevated tank and booster pump to supply Zone 10, Extend existing reticulation at Zone 10 & Phigogo, install booster pump for water supply to kamakwelintaba	ZONE 10, PHIGOGO, MAKHELINTABA	MIG				19 000 000
AIRCONDITIONERS		REVENUE		60 000		
30 OFFICE CHAIRS		REVENUE		80 000		-
4x trailers		REVENUE		200 000		-
1 x Bomac Roller		REVENUE		-		400 000
3 x Pedestrian roller		REVENUE		200 000		-
2 x High pressure		REVENUE		35 000	35 000	-
1 x Compressor		REVENUE		25 000	25 000	-
Brush Cutters (WTW & Reservoirs)		REVENUE		60 000	60 000	60 000
Workshop tools (Welding Machine (250 AMP 5.5 KVA 220V) x4, 6.5kVA Generator x5, Thread Machine x4, Big Grinder x4)		REVENUE		95 000	95 000	
Mobile Water Pumps x3		REVENUE		400 000	400 000	
Standby Quarters furniture		REVENUE		30 000		
NEW/UPGRADE SUBSTATIONS	KOMATIPOORT, HECTOSPRUIT	REVENUE		4 000 000		
HT RINGS	KOMATIPOORT	REVENUE		1 000 000		
MAYORAL VEHICLE	NLM	REVENUE		1 000 000		
Computers and printers		REVENUE		35 000		
Nkomazi Smart Metering		REVENUE		1 200 000	1 800 000	2 000 000
Trade Preparation		REVENUE		150 000	150 000	150 000
Mobile generator 800KVA, 250KVA, 10KVA		REVENUE		1 500 000	1 600 000	1 600 000
		MIG		211 378 835	227 874 503	241 695 145
		INEG		9 000 000	10 000 000	15 000 000
		MDRG		20 000 000	-	-
		WSIG		84 192 000	129 932 000	112 340 000
		REVENUE		29 834 000	6 915 000	6 960 000
		TOTAL CAPEX		354 404 835	374 721 503	375 995 145

2.6 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting

Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days).

2. Internship programme

The municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Budget and Treasury Office. They are expected to complete their two year contract on 30 December 2016. Since the introduction of the Internship programme the municipality has successfully employed and trained 9 interns through this programme. The Budget and Treasury Office has been established in accordance with the MFMA.

3. Audit Committee

An Audit Committee has been established and is fully functional.

4. Service Delivery and Implementation Plan

5. The detail SDBIP document directly aligned and informed by the 2016/17 MTREF is at a compilation stage.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

2.7 ANNEXURE A –TARRIF SCHEDULE

2.7.1 Property rates tariffs

In terms of Sections 2, 7, 8 and 14 of the Local Government: Municipal Property Rates Act 6 of 2004 ("the Act"), read with Sections 4(1)(c)(ii) and 11(3)(i) and 75A of the Local Government: Municipal Systems Act 32 of 2000, the following rates in the Rand BE LEVIED for the financial year 1 July 2015 to 30 June 2016, on the market value of property or on the market value of a right in property within the area of jurisdiction of the Council as appearing in the valuation roll, in respect of the various categories of properties set out below:

Category	Ratio	Rate in the Rand by 6%
Residential	1.00	0.0109
Industrial	2.50	0.0272
Business and Commercial	2.00	0.0218
Farms – Agriculture	0.25	0.0027
Farms – Commercial	2.00	0.0218
Farms – Residential	1.00	0.0109
Farms – Other	0.25	0.0027
State Owned Properties	2.00	0.0218
Municipal Properties	2.00	0.0218
Public Services Infrastructure (PSI)	0.25	0.0027
Private Towns	1.00	0.0109
Smallholdings – Agriculture	0.25	0.0027
Smallholdings – Commercial	2.00	0.0218
Smallholdings – Residential	1.00	0.0109
Smallholdings – Other	0.25	0.0027
Informal Settlements	1.00	0.0109
Mining and Quarries	3.00	0.0326
Vacant Land	4.00	0.0435

Protected Areas	1.00	0.0109
National Monuments	1.00	0.0109
Multiple Purpose	2.00	0.0218

The rates levied in terms of paragraph 1 above **SHALL BECOME DUE AND PAYABLE** in twelve equal instalments on fixed days for twelve consecutive months, these being the due date stipulated in the account sent to the ratepayer.

Interest at the prime rate of the Nkomazi Local Municipality's bankers (currently ABSA Bank Ltd) will **BE CHARGED** per month or part thereof on all arrear assessment rates at the applicable interest rate, adjusted quarterly as specified in Schedule E - Tariffs for Financial Services.

In terms of Section 15(1)(b) of the Act read with Council's Property Rates Policy, the Council grants, the following reduction in market value and rebates on the rate levied for the financial year 2016/2017 to any owner of rateable property in the following circumstances :

4.1 That in terms of section 17(h) of the Municipal Property Rates Act, No 6 of 2004, the impermissible value of the market value of a property assigned to the residential category in the valuation roll or supplementary valuation roll, **BE DETERMINED as R 15 000.**

4.2 Indigent **household** – Owner of residential property, registered in terms of Council's approved indigent policy, **BE EXEMPTED** from paying of property rates.

4.3 **Child headed households** – That a child headed household registered in terms of Council's approved indigent policy, **BE EXEMPTED** from paying of Property Rates.

4.4 **Age / Pensioners reduction, Disability grantees and medically boarded persons**
– That in addition to the reduction in 4.1 above and subject to requirements as set out in Council's Rates Policy, an additional reduction of **R15, 000.00** on the market value of

residential property owned by person older than 60 years of age or registered as “Life right use” tenant in deeds office (Age /Pensioner reduction), disability grantees and medically boarded persons **BE GRANTED**.

4.5 Aged / Pensioners rebate, Disability grantees and medically boarded persons

– That in addition to the reduction in 4.1 and 4.4 above, an additional rebate **BE GRANTED** in respect of sliding scale based on average monthly earnings.

The applicant must:

- i. be the registered owner of the property or registered as “Life right use “tenant in deeds office.
- ii. produce a valid identity document;
- iii. must be at least 60 years of age upon application, provided that where couples are married in community of property and the property is registered in both their name, the age of the eldest will be the qualifying factor, **or** approved disability grantee **or** approved medically boarded person;
- iv. not be in receipt of an indigent assessment rate rebate;
- v. must reside permanently on the property concerned which consists of one dwelling only and no part thereof is sub-let;
- vi. confirm the aforementioned details by means of a sworn affidavit and / or latest income tax assessment.
- vii. On approval, the following rebates will be applicable;

Average Monthly earnings I respect of preceding 12 months	
R0.00 to R2,520.00 (2x state pensions when amended)	100% rebate on assessment rates
R2,520.01 to R4,500.00	85% rebate on assessment rates
R4,500.01 to R6,000.00	70% rebate on assessment rates

R6.000.01 to R7,500.00	55% rebate on assessment rates
R7,500.01 to R11,500.00	40% rebate on assessment rates

viii. That the minimum “average monthly earnings” be adjusted annually and effective in accordance with National Government Budget announcement in respect of state pensions.

4.6 **Municipal** – That non-trading service **BE EXEMPTED** from paying of property rates.

4.7 **Sporting Bodies** - used for the purposes of amateur sport and any social activities which are connected to sport: **40% REBATE** in respect of the amount levied as rates on the relevant property but subject to existing agreements between club and Council not determining a different position.

4.8 **Welfare organisations** - registered in terms of the National Welfare Act, 1978

(Act No. 100 of 1978), **BE REBATED 100%** in respect of the amount levied as rates on the property.

4.9 **Public benefit organizations/Non-Governmental Organisations (NGO's) and Cultural Organisations-** approved in terms of section 30 of the Income Tax Act 58 of 1962, read with Items 1, 2 and 4 of the Ninth Schedule to that Act, **BE REBATED 100%** in respect of the amount levied as rates on the property.

4.10 **Protected areas/nature reserves/conservation areas** – That protected areas/nature reserves/conservation areas **BE EXEMPTED** from paying of Property Rates.

4.11 **Private schools, Universities, Colleges and Crèches**

- i. Private (Independent) primary and secondary schools (regardless of whether subsidized or not), registered as educational institutions, **BEREBATED** at **40%** in respect of the amount levied as rates on the relevant property, subject to prior application and submission of prior years audited financial statements.
- ii. Private (Independent) Universities and colleges, registered as educational institutions not subsidized by state, **20% BE REBATED** in respect of the amount levied as rates on the relevant property.
- iii. Crèches, registered as educational institutions, **40% BE REBATED** in respect of the amount levied as rates on the relevant property.

4.12 Vacant unimproved stands - That a **50%** rebate **BE GRANTED** on residential property on which a dwelling unit(s) is/are being constructed and which will be used exclusively for that purpose, subject to the following conditions

- i. That an approved building plan is supplied;
- ii. That a residential dwelling unit(s) be constructed on the property;
- iii. That the 50% rebate be granted for a maximum period of twenty four (24) months from the date the approved building plan was supplied;
- iv. That the occupation certificate be supplied at the end of the twenty four (24) month period;
- v. That the failure to supply the occupation certificate will result in a reversal of the 50% rebate already granted; and
- vi. That in the event that the said property is sold prior to the issue of the occupation certificate, the rebate already granted be reversed.

Rebates in respect of items 4.2 to 4.12, but excluding 4.6 - Municipal and 4.10 - Protected areas/nature reserves/conservation areas, **BE SUBJECT** to the submission and approval of required application.

2.7.2 Electricity tariffs

	Approved	Proposed
<u>Details</u>	2015/16	2016/17
Basic charge Residential	130.21	140.62
Energy charge Residential KWH	1.2200	1.3168
Basic charge Business <70 Amp (single phase)	397.62	429.74
Energy charge Business <70 Amp (single phase)	1.23	1.33
179Basic charge Business <150 Amp (three phase)	695.04	750.64
Energy charge Business <150 Amp (three phase)	1.2300	1.33
Basic charge Business >150 Amp (three phase)	1,057.68	1142.29
Demand charge Business >150 Amp (KVA three phase)	163.35	176.41
Energy charge Business >160 Amp (three phase)	0.7800	0.84
Domestic Prepay Tariff	1.5190	1.607
Basic Charge Prepaid		

2.7.3 Water tariffs

	APPROVED	PROPOSED
<u>Details</u>	2015/16	2016/17
Basic charge	109.38	117.03
Water Residential consumers 0-6 kl	Free	Free
Water Residential consumers 6-25 kl	5.58	5.97
26-40 kl	6.14	6.56
41-60 kl	6.76	7.23
61 and more	7.44	7.96
Water Business consumers	10.83	11.58
Water tanker services per 5000 litre	369.60	395.47
<u>MARLOTH PARK</u>		
Basic Charge	27.35	29.26

2.7.4 Sanitation tariffs

Details	APPROVED 2015/16	PROPOSED 2016/17
Sewerage Fixed charge (1 st 2 points)	175.54	187.82
Sewerage (Additional Points) per point	66.06	70.68
Available charge – Empty stands	86.92	93.00
Sewerage charge M'hlatikop per kl	3.49	3.73
Sewerage Fixed Charge 1-2 points Hectorspruit	79.96	85.55
Sewerage add. Points Hectorspruit per point	39.63	42.40
Chemical toilet per day	970.60	1,038.54
Seerage dumping per load	150.00	160.50

2.7.5 Refuse tariffs

Details	APPROVED 2015/16	PROPOSED 2016/17
Refuse Residential once a week services	55.26	60.78
Refuse Residential twice a week services	111.54	122.69
Refuse Residential Rural once a week services	26.70	29.37
Refuse Business once a week services	73.71	81.08
Refuse Business twice a week services	176.15	193.76
Business - (one container)	169.95	186.94
- 1.75cubic meters (20 containers)	3,399.47	3,739.41
- 2.5cubic meters (29 containers)	4,256.62	4,682.28
Public Institutions Schools/Clinics	140.18	154.19
Clearing Grass and Bushes on Open Stands	1,067.66	1,174.42
Clearing of General Waste on Open Stands	750.99	826.08
Removal of Building Rubble	750.99	826.08
Removal of Garden Refuse	425.26	467.78
Cutting of Large Trees	425.26	467.78

2.7.6 Other tariffs

Details	PROPOSED 2015/16	APPROVED 2016/17
BUILDING PLAN FEES	R9.68per sqm	R10.35per sqm
PAVEMENT DEPOSIT	904.38	967.68
TOWN PLANNING TARIFFS		
Division of farm land	2,423.83	3,300.00
Reason for decision of municipal planning tribunal, land development officer or appeal authority	407.49	1,521.34
Rezoning:	3021.62	
(a) One Erf		4,379.12
(b) Every erf Additional to the First Erf per Erf		475.58
Establishment of a township	7057.81	10,771.50
Amendment of a township establishment applicaton:		
(a) If already approved by the Municipality	7057.81	10,771.50
(b) If not already approved by the Municipality	3021.62	3,268.00
Sub-division of land:		
(a) For first five (x5) erven	605.97	448.06
(b) Six (x6) plus erven	244.03	59.34
Consolidation of Land	406.32	448.06
Consent Use	1990.67	1,109.40
Certificates:	100.84	
(a) Zoning Certificates per Certificate		123.84
(b) Any Other certificate per Certificate		123.84
Division of township		10,771.50
Phasing/cancellation of approved layout plan		1,369.98
Removal, amendment, suspension of a restrictive or obsolete		533.20
Amendment or cancellation of a general plan of a township		1,509.30
Permanent closure of a public place per closure		456.66
Development on communal land		4,379.66
Material amendements to original application prior to approval/refusal		50% of original application fee

	PROPOSED 2016/17
CATEGORY 1 LAND DEVELOPMENT APPLICATIONS	
Sub-division of land provided for in land use scheme or town planning scheme	448.06
Consolidation of land	448.06
Sub-division and consolidation of land	448.06
Consent Use	1,109.40
The removal, amendment or suspension of a restrictive title condition relating to the density of residential development	533.20
Temporary use: prospecting rights	1,109.40
Temporary use: other rights	662.20
Material amendments to original application prior to approval/refusal	50% of original application fee
CATEGORY 2 LAND USE APPLICATIONS	
Sub-division of land provided for in land use scheme or town planning scheme	1,019.10
Consolidation of land	1,041.46
Subdivision and consolidation of land	1,025.12
Consent use	1,025.12
The removal, amendment or suspension of a restrictive title condition relating to the density of residential development	1,025.12
Temporary use: prospecting rights	
Temporary use: other rights	123.84
Material amendments to original application prior to approval/refusal	123.84
MISCELLANEOUS FEES	2,993.66
Erection of a second dwelling	221.02
Relaxation of height restriction	140.18
Relaxation of building line	
Consideration of site development plan	1,369.98
Extension of validity period of approval	2,466.48
Certificates:	2,175.74
Zoning Certificates per Certificate	2,993.66
Any Other certificate per Certificate	
Public hearing and inspection	
Re-issuing of any notice of approval of any application	149.64
Deed search and copy of the title deed	70.52
Public Notice:	344.86
(a) Public Notice and advertisements in the legal section of the paper.	573.62
(b) Public Notice and advertisements in the body in the body of the paper	23.22
Way leave application (application to determine where the council's services are located or a specific area where new services are to be installed)	23.22
Any other application not provided for elsewhere in this schedule of fees	2,175.74
COPIES	2993.66
Spatial Development Framework	
(a) Hard Copy per region	
(b) In electronic format per region	149.64
Copy of the Land Use Scheme or Town Planning Scheme (Scheme Book)	70.52
Scheme Regulations per set	344.86
Search fees per erf	573.62
Diagrammes per diagramme	23.22

<u>Details</u>	APPROVED 2015/16	APPROVED 2016/17
ESTATES & BUILDINGS : RENTAL		
iv) Entrance Fees	-	0.00
Henk van Rooyen Park	-	0.00
Property Owner	Free	Free
Non Property Owner	R58.77 per person	R62.29 per person
Rental Recreation Centre	R144.73 per day	R153.51 per day
Lionspruit		
Non Property Owner	70.17	74.57
Safari Game Vehicles	214.91	229.95
Season Tickets - Property Owner (1 st ticket)	Free	Free
CEMETERIES		
URBAN		
<u>Burial Fees:</u>		
Within jurisdiction - Adults	878.94	940.36
Nl. (Kaapmuiden) - Children	560.42	616.66
(Malelane & Hectorspruit) - Internment in one grave – additional	253.51	271.06
Outside jurisdiction - Adults	1,057.01	1,131.58
- Children	700.87	750.00
Enlargement of Grave	175.44	187.72
<u>Reserving Graves:</u>		
Per grave per person resident in jurisdiction at time of decease	440.35	471.06
Per grave per person NOT resident in jurisdiction at time of decease	789.47	844.74
Per niche	263.15	281.56
<u>Wall of Remembrance:</u>		
Per single niche, per single emplacement	440.35	471.06
Per Double niche, per double emplacement	789.47	844.74
<u>Memorial Stones:</u>		
Consent for erection of memorial stone	253.51	271.06
Re-opening of Graves	440.35	471.06
RURAL		
<u>Burial Fees:</u>		
In jurisdiction - Adults	141.23	150.88
Nl. (Kamhlushwa) - Children	63.15	67.55
- Internment in one grave – additional	43.86	46.50
Outside jurisdiction - Adults	175.44	187.72
- Children	107.01	114.04
Enlargement of Grave	45.61	48.25
<u>Reserving Graves:</u>		
Per grave per person resident in jurisdiction at time of decease	440.35	477.06
Per grave per person NOT resident in jurisdiction at time of decease	789.47	844.74
<u>Memorial Stones:</u>		
Consent for erection of memorial stone	122.80	131.58
<u>Wall of Remembering:</u>	-	-
Per single niche	440.35	471.06
Re-opening of Graves	440.35	471.06

Details	APPROVED 2015/16	PROPOSED 2016/17
HAWKER FEES:		
Rent of Site Fee (per month)	28.07	30.71
License Application Fee	100.00	107.02
Hawker License (per annum)	214.91	229.83
Taxi Rank Fees (per annum)	321.93	344.74
BANNERS, POSTERS & ADVERTISEMENT		
Deposit: Posters (excluding elections)	903.51	966.67
Deposit: Posters in a elections	1,355.26	1,450.00
Deposit: For each banner	903.51	966.67
Application Fee for Public Display of Advertisement Boards	545.61	583.36
Public Display of Advertisement Boards smaller than 6 m ²	1,355.26	1,450.00
Public display of Advertisement Boards bigger than 6 m ²	3,618.42	3,871.70
Advertisement on Municipal Statements	402.63	431.58
Display of Billboards	9,048.24	9,681.61
Illuminated Signs	146.49	156.74
Temporary Signs	146.49	156.74
Street Name Advertising Structures	1,355.26	1,450.12
Loose Standing Signs	1,355.26	1,450.10
Street Light Poles (N4)	10,540.35	11,278.17
Advertisement on Municipal Trucks	5,426.31	5,806.15
Poundage Fee	R146.49 per day	R157.02 per day
Furnishing of information and issuing of Certificates:		
Application of Safety Certificate	89.47	96.50
Issuing of Safety certificate	180.70	192.99
LIBRARY		
Membership Fees: Adult per year	80.70	96.50
Membership Fees: Children under 18 years, pensioner & students		
	35.08	37.72
Penalties: Books per week	3.51	3.51
Special Demand		
	9.65	9.65
Visitor's Deposit	218.42	233.35
FEE GENERAL CLEANSING:		
i) Removal of building rubbish	402.63	429.83
ii) Removal of gardening rubbish	105.26	112.29
iii) Cleaning of Stand	402.63	429.83
FURNISHING OF INFORMATION AND ISSUING OF CERTIFICATES		
Clearance Certificates/clearance Cost	82.45	87.72
Valuation Certificates	64.91	69.30
Search Fees	64.91	69.30
Photocopies: - A4-size	1.75	1.75
- A3-size	1.75	1.75
Colour copies - A4	2.63	2.63
Internet Fees: - 20 Min	14.03	14.03
- 30 Min	21.05	21.05
- 1 Hour	42.98	42.98
- 5 Hours	141.23	141.23
Tender documents	833.33	890.36
Faxes per page	4.38	4.39
Cheque Refer to Drawer	218.41	233.34
Copy of Voter Roll	R4.38 per page	R4.39 per page
Copies of Valuation Roll	R4.38 per page	R4.39 per page
Electronic Copy of Valuation Roll	1,263.15	1,263.16

	APPROVED 2015/16	PROPOSED 2016/17
CONNECTION FEES		
WATER		
Nkomazi	2,626.98	2,810.53
25mm	3,023.95	3,235.97
Water connection Rural areas	642.16	687.72
Deposits Rural areas	532.40	570.18
Testing of Water Meter	270.88	289.48
Supply and Installation of meter	Actual cost +15% larger than 25mm	Actual cost +15% larger than 25mm
Changes in installation	Actual cost +15% larger than 25mm	Actual cost +15% larger than 25mm
Civil Service Contribution	9,952.16	10648.81
ELECTRICITY		
Nkomazi - single phase	4,610.64	4,933.34
- 3 phase	7,691.79	8,229.63
- single phase pre-paid	1,633.41	2,891.23
3 phase pre-paid	3,981.33	4,259.65
Temporary Connection	275.54	294.74
Connection due to non payment	361.95	387.72
Call out - Nkomazi	931.70	996.91
Tampering with meter	5,792.10	6,197.37
Use of fire hydrant	R403.50 plus labour	R443.85 plus labour
Testing	Actual cost +15%	Actual cost +15%
Supply and Installation of meter box	Actual cost +15%	Actual cost +15%
Changes in installation	Actual cost +15%	Actual cost +15%
Service contribution (civil)	3,531.82	3,779.83
CLINIC FEES		
Health Certificate	R366.61 per certificate	R392.11 per certificate
Water Test Result - Bacterial	954.95	1,021.79
- Chemical	473.27	506.39
BUSINESS FEES		
Business License per annum	542.92	580.92
Application of Business License	218.34	233.62
Other Chargeable Properties:		
RDP HOUSES	29.20	31.58

Details	APPROVED 2015/16	PROPOSED 2016/17
BULK SERVICE CONTRIBUTIONS		
Residential 1 – Per residential unit	50,423.61	53,953.26
Residential 2 – Per residential unit	35,665.48	38,162.06
Residential 3 – Per 100m ² floor area	30,438.64	32,569.34
Second dwellings – Per application	30,590.81	32,732.16
Offices – Per 100m ² building floor area	28,286.42	30,266.46
Hotels & Hostels - Per 100m ² building floor area	22,044.66	23,587.78
Doctors & Dentists- Per 100m ² building floor area	27,441.63	31,283.48
<u>Schools & Creches:</u>		
Buildings – Per 100m ² building floor area	15,987.99	18,226.30
Size of the Stand- per ha	230,595.75	246,737.45
Dry Industrial – Per 100m ² of building floor area	27,671.49	29,608.49
Wet Industrial – Per 100m ² of building floor area	74,559.30	79,778.45
<u>Clubs & Sport Facilities:</u>		
Buildings – Per 100m ² of building floor area	12,605.91	13,488.32
Size of the Stand – per ha	230,595.75	246,737.45
<u>Sport Stadiums:</u>		
Buildings – Per 100m ² of building floor area	23,367.01	25,002.70
Size of the Stand – per ha	230,595.75	246,737.45
Warehouses – Per 100m ² of building floor area	7,071.61	7,566.62
Parks – per ha	230,595.75	246,737.45
Laundries– Per 100m ² of building floor area	36,587.86	39,149.01
Butchery– Per 100m ² of building floor area	39,740.07	42,521.87
Hairdressers– Per 100m ² of building floor area	55,405.94	59,284.35
Panel Beaters– Per 100m ² of building floor area	28,440.15	30,430.96
<u>Nursery:</u>		
Buildings – Per 100m ² of building floor area	13,220.83	14,146.28
Size of the Stand – per ha	230,595.75	246,737.45
Hospitals - Per 100m ² of building floor area	58,110.13	62,177.83
Restaurants – Per 100m ² of building floor area	38,125.17	40,793.93
Other commercial, excl. shopping centres – per 100m ² floor area	37,441.65	40,062.56
Institutional – per 100m ² building floor area	36,665.46	39,232.04
<u>Agricultural holding:</u>		
Buildings – per Residential Unit	27,364.03	39,979.51
Size of the stand – per ha	38,432.63	41,122.91
Laboratories – per 100m ² of building floor area	25,904.32	27,717.62
Bus Depots – Per Bus facility	29,055.07	31,088.92
<u>Other Developments:</u>		
Water Services – per kl AADD	15,373.05	16,449.16
Sewer Services – per kl AWWF	15,373.05	16,449.16
Electrical Services – Per KVA	1,998.51	2,138.40
Roads & Stormwater – Sum	-	-
LINK SERVICE CONTRIBUTIONS:		
To be Determined per Application	-	0.00
ROADS:		
Grader	R705.71 per hour	R755.10 per hour
TLB	R402.64 per hour	R430.82 per hour
High up	R292.82 per hour	R313.31 per hour

STADIUMS	APPROVED 2015/16	PROPOSED 2016/17
PSL Teams	18,150.00	20,000.00
First Division	1,210.00	1,300.00
Vodacom Teams	968.00	968.00
Promotion Teams	484.00	484.00
School Activities	363.00	363.00
Churches	1,210.00	5,000.00
NGO's and CBO's	605.00	605.00
Government Departments	908.00	908.00
Festival and Big events	36,300.00	55,000.00
Funerals	363.00	1,200.00
Other	726.00	726.00
Community Halls		
Churches	484.00	560.00
Wedding and Parties	1,210.00	1,860.00
Beauty Contest	726.00	2,000.00
Music Festival/Disco/DJ	1,452.00	2,000.00
Government Department	726.00	726.00
NGO's and CBO's	303.00	303.00

CONSUMER DEPOSITS	APPROVED 2015/16	PROPOSED 2016/17
Water/electricity (Residential)	1,500.00	1,500.00
Water deposit Marloth Park	500.00	500.00
Water/electricity (Business)	10,000.00	10,000.00

2.8 Municipal manager's quality certificate

I Muzi Daniel Ngwenya municipal manager of Nkomazi Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

M.D. NGWENYA
MUNICIPAL MANAGER
NKOMAZI LOCAL MUNICIPALITY – MP324

DATE